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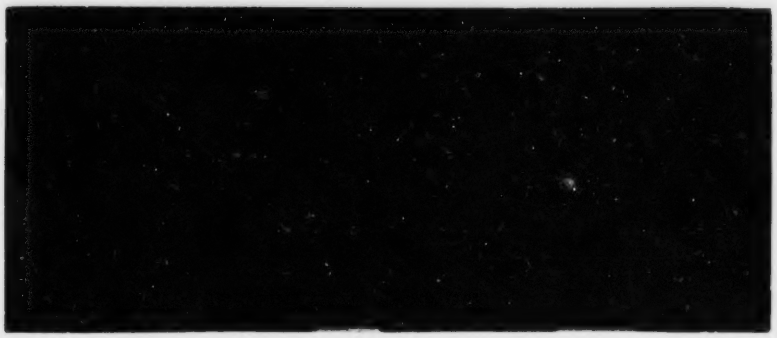

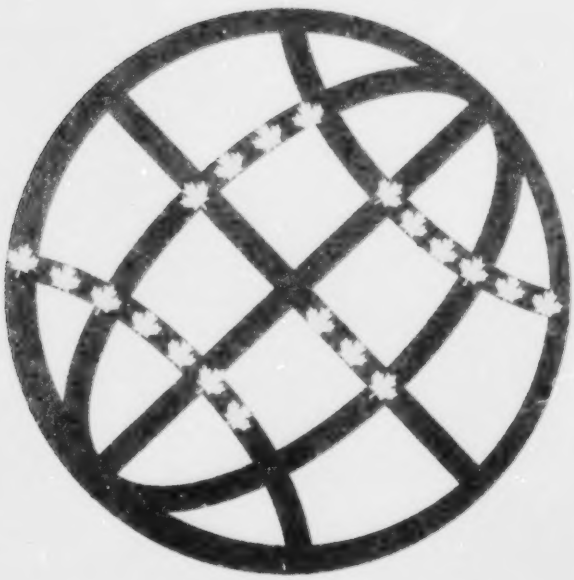

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REVIEW OF CODES OF CONDUCT AND LABELS RELEVANT FOR A PROPOSED CANADIAN TASK FORCE ON SWEATSHOP AND CHILD LABOUR

Steelworkers Humanity Fund

July 1998

Review of Codes of Conduct and Labels Relevant for a Proposed Canadian Task Force on Sweatshop and Child Labour
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The document reviews seventeen codes, labels and related initiatives, including Abrinq Foundation for Children's Rights (Brazil), Fair Trade Charter (Netherlands), Ethical Trading Initiative, Fair TradeMark Canada, Rugmark, and Social Accountability 8000. In a table format it provides a guide to these codes and labels according to their standard-building characteristics (ie., reflect ILO conventions, address issues of wages, hours of work) and governance structure and monitoring features (ie., includes at least two of NGO/union/industry representatives, NGO and/or union participation in monitoring and verifying standard compliance). The document does not offer any analysis of these codes and labels based on their strengths and weaknesses. The appendices are worthwhile for providing extensive outlines of the nature of the codes and label initiatives attended to in the report.

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INTRODUCTION

This review was supported in part by the John Holmes Fund of the Canadian Centre for Foreign Policy, and has been submitted to it as a component of a report on the first year of "The Business of Change" project. The project, with the Steelworkers Humanity Fund as the lead agency, provided staff and research support to a "learning circle" of non-governmental organizations and unions in 1997-98. The project was established to provide an opportunity for discussion and evaluation of a range of models and approaches to labelling or product certification systems and corporate codes of conduct in the promotion of fair trade, sustainable development and core labour rights.

A review of codes and labels as a contribution to a proposed multi-sector national task force on sweatshop and child labour was not anticipated when the project was established, or even by the time of the last meeting of the "learning circle" in March 1998. However, when it became apparent in April, 1998 that a national task force might be established, it seemed useful to write part of the report for the John Holmes Fund in the form of a briefing document which would be helpful to participants. Responsibility for the contents of this review lies entirely with the Steelworkers Humanity Fund.

KEY FEATURES OF SELECTED CODES AND LABELS

This document provides a review of selected codes, labels and related initiatives which may be relevant in discussions of a national task force on sweatshop and child labour in Canada and abroad.

Characteristics of codes reviewed

The corporate codes, product labels and groups reviewed represent only a few of many international initiatives. They have been chosen for their likely relevance to discussions by a task force because they have one or more of the following characteristics:

- are Canadian-based, or supported by some Canadian organizations or consumers;
- contain features that may represent the emerging "minimum standard" for codes and labels;
- apply to more than a single company or producer;
- are applicable to both domestic and international production;
- address issues likely to be considered by the task force, such as sub-contracting standards.

Key or "leading edge" features

Key or "leading edge" features that appear on one or more of these codes and labels are listed

below in two groups: features relating to standards; and features relating to the governance structure of the organization sponsoring the code and its monitoring system. They are then summarized in relation to each code in Tables I and II on pages 6 and 7. The listing of a feature here does not necessarily imply SHF support for its inclusion in codes.

Standards:

- refer directly to some or all of the ILO conventions which define core labour rights
- address issues of wages, hours of work and / or employment security
- reinforce local labour laws and government responsibility
- support freedom of association and collective bargaining even where restricted under law
- emphasize improvement of working conditions, not termination of contracts
- provide mechanisms for assisting workers displaced through the application of standards, or to enable the maintenance of standards
- are applicable to contractors, suppliers and licensees

Governance and monitoring features:

- governance structure with at least two of NGO/union/industry representatives
- governance structure includes representatives from the South
- governance structure includes international development organizations
- governments initiated, participate in, or financially support the code organization
- independent external monitoring and verification of standards (generally either a "foundation" or an "accounting" model of monitoring)
- NGO and / or union participation in monitoring and verifying standards

Explanation of key features

Standards:

- *All or some core ILO conventions*: We have not given a check mark (✓) in our tables on pages 6 and 7 if a code refers to a core labour right, but not to the specific ILO convention. A specific reference to the ILO definition is seen by many as an effective way to counteract a proliferation of standards in codes, and to endorse standards which have received the tripartite (employer, worker, government) endorsement of countries both South and North, and at all levels of development. A more complete table would itemize inclusion in the code of each of the conventions. The core conventions are: #87 on freedom of association, #98 on collective bargaining, #29 and #105 on forced labour, #100 and #111 on discrimination and equal remuneration, #138 on a minimum age.

- *Other standards—wages, hours of work and employment security:* Reference to other standards than "core rights" has been controversial. For example, some codes address the

question of wages by requiring adherence to the minimum wage in host countries (not always enforced); others refer to the concept of a "living wage." In the garment sector in particular, some groups argue that core labour rights do not sufficiently address the problems of women workers, such as sexual harassment, pregnancy testing, etc. Others argue that if core rights are respected, workers can then organize and through the collective bargaining system, get agreement on standards such as living wages for their context.

- *Reinforce government role*: Some unions and NGOs are concerned about the potential for codes to become an excuse for government deregulation or lack of attention to issues of implementation of legislation. Some codes state that companies must adhere to local law or the code standards, whichever is higher. In countries where good legislation is in place, but not enforced, this code requirement represents an improvement. The Wear Fair Charter of the Labour Behind the Label Coalition includes a requirement that retailers identify all of their contractors, and that retailers and contractors agree to cooperate with ministry of labour investigations and audits of suppliers.

- *Support core labour rights even where they are restricted by law*: This refers either to a company's commitments to support freedom of association and collective bargaining within its own workplace, and /or to its commitments to press repressive governments for respect of core labour rights.

- *Applicable to suppliers, contractors and licensees*: In some cases codes are silent on the issue of whether the term "contractor" includes homeworkers. In other cases, codes have explicitly stated that homeworkers are not currently covered because of the complexities involved. Our check mark (✓) does not indicate whether or not homework is covered. In future revisions of this document, we hope to have more information about the requirements of each code on this point.

- *Discourage unnecessary termination of contracts:* Companies are expected to implement standards, or work with subcontractors to ensure implementation of standards, rather than precipitously ending contracts and displacing workers. Some groups are concerned that a concept of continuous improvement might replace minimum standards as a base line. An objective of continuous improvement, monitored by code sponsors or NGOs over a period of time, could undermine the development of free trade unions by offering the company an alternative to unions.

- *Assistance to workers*: Where termination of contracts is necessary, some codes require the company to provide transitional assistance to the displaced workers. This is a feature of some codes focused on the issue of child labour. As well, some labelling systems such as Rugmark and Fair TradeMark / TransFair International have an ongoing income-generating feature for assistance to children (Rugmark) or to the workers' cooperative (Fair TradeMark).

Governance and monitoring:

- *Multi-sector governance*: We have indicated that a code has a "multi-sector" governance structure if it has two or more of the three sectors—companies, unions and NGOs—involved. Some have been initiated by one sector but have involved representatives from other sectors.

- *Southern representatives*: A few code organizations have joint or sole Southern sponsorship: Abrinq, the Forest Stewardship Council, the Nicaragua code, Rugmark, the Partner's Agreement on the Soccer Industry. Some codes sponsored by international organizations such as the ICFTU can also be considered to have indirect southern sponsorship. We have also included two monitoring groups composed of southern groups, although they were established to monitor northern-sponsored codes. Other organizations such as the Ethical Trading Initiative and SA8000 have, or intend to include, Southern representatives, but these do not have sponsorship status.

- *Development organization representatives*: There has been debate about the impact of codes of conduct and labelling systems, particularly their impact on children, with criticism more often coming from international development organizations than from human rights, consumer or other organizations. For this reason, we have noted those code organizations which include development organization representatives, although these organizations may not function as full sponsors.

- *Government involvement*: Many proponents of codes, both company and civil society actors, believe that governments should play a role in stimulating socially and environmentally responsible codes of conduct. In the US, the Apparel Industry Partnership was created by the White House in 1996. The European Parliament and European Commission are showing growing support for codes (e.g the EURATEX - ETUC/TCL code), and in February 1998, the Commission and the US Department of Labor organized a meeting of business, unions and NGOs to discuss codes. The UK Ethical Trading Initiative has received substantial funding from the UK government.

- *Foundation model of monitoring*: The concept of "independent monitoring" is contentious and evolving. There is debate about structures for accreditation and accountability of monitors. In a "foundation" model, the company signs a contract for monitoring with a foundation made up of companies, unions and NGOs, although the foundation may sub-contract the actual monitoring to a third party such as an auditing firm.

- *Accounting model of monitoring*: The company hires the auditing firm directly, although the auditing firm must be accredited by the code sponsors.

- *NGO / union monitoring role*: There is debate about what role host country and international NGOs and unions should play in monitoring. Our table indicates whether or not a code states that it provides for an NGO and /or union role in monitoring, but does not attempt to make a judgement about the adequacy of this provision.

Notes on tables of key features

Tables I and II, pages 6 - 7, provide a **general guide** to the standards and governance / monitoring provisions of selected codes and labels.

The catalogue of codes and labels, pages 8 - 17, provides a **brief description** of each of these codes / labels.

Appendix A, pages 18-83, provides **copies of code documents**, or other more extensive description.

The tables should be used with the following qualifications in mind:

1. The tables are a guide only. We have not provided any analysis of the strengths and weaknesses of particular approaches taken to the key features.

2. The tables generally refer to the features of the code or label itself. However, in some cases we took into account the stated objectives of the sponsoring organization. For example, the Abrinq Foundation has identified three basic strategies to address the child labour issue, and one of these is "actions to strengthen the normative and inspecting capacity of governmental and non-governmental organizations." The Foundation's "Child-Friendly Corporation" seal does not, in itself, commit member companies to actions which strengthen government's capacity to respond to the child labour issue, but we nonetheless indicated that the seal addresses this issue.

3. The lack of the check mark (✓) does not necessarily mean that a code / seal does not contain the particular feature. Instead, it may reflect our own lack of complete information, or that the particular code is still being developed. For example, the Ethical Trading Initiative has not yet released its standards or criteria for membership, although we have assumed that the current diversity of types of organizations represented will continue.

4. Some of the "key features" are applicable only to company codes, not to fair trade labelling systems such as Fair TradeMark Canada or to monitoring groups such as those established in El Salvador and Honduras. The lack of several check marks (✓) should therefore NOT be taken to indicate a failing grade, but may reflect only the fact that some initiatives should not be judged entirely on the basis of code criteria.

Table I: Key Features—Standards

	All core ILO conventions	Some core ILO conventions	Wages	Hours of work	Employ-ment security	Reinforce govt. role	If law denies rights...	Applies to sub-contracts	Improve, not end contracts	Assistance to workers
Abrinq						✓		✓		
Apparel			✓	✓		✓		✓	✓	
Clean Clothes		✓	✓	✓				✓		
Ethical Trading										
Euratex		✓						✓		
FairTrade			✓						✓	✓
Forest		✓	✓			✓		✓		
Independent Monitor.Groups						✓	✓			
Internat'l Can.						✓	✓	✓		
ICFTU	✓		✓	✓	✓	✓		✓		✓
Labour Behind the Label			✓	✓	✓	✓		✓	✓	✓
Nicaragua			✓	✓		✓				
Rugmark										✓
Soccer: Partners		✓								✓
Soccer: FIFA	✓		✓	✓	✓			✓		
SA8000	✓		✓	✓		✓	✓	✓	✓	✓
TCFUA						✓		✓		

Table II: Key Features—Governance and Monitoring							
	Multisector governance	Southern representatives	Development representatives	Govt. role	Foundation model of monitoring	Accounting model of monitoring	NGO or union monitoring
Abrinq		✓	✓		?		✓
Apparel	✓			✓		?	✓
Clean Clothes	✓		✓		✓		✓
ETI	✓	?	✓	✓			
Euratex/ETUC							✓
FairTrade	✓		✓		✓		
Forest	✓	✓	✓			✓	
Indep Monitor.		✓					✓
International... Canadian				✓			
ICFTU		✓					✓
Labour ... Label	✓		✓				✓
Nicaragua		✓		✓			✓
Rugmark	✓	✓	✓		✓		
Soccer: Partner's	✓	✓	✓		?		
Soccer: FIFA	✓				?		
SA8000	?	?				✓	✓
TCFUA	✓				✓		✓

Catalogue of codes and labels of relevance to a task force on sweatshop labour

Abrinq Foundation for Children's Rights (Brazil)

Abrinq is a non-profit organization for child welfare issues established in 1990 by members of Brazil's association for toy manufacturers. In 1995 it created the Child-Friendly Company program and seal to encourage companies to eliminate child labour and invest in projects for the improvement of children's lives. It is financed through a grant provided by a private company. There were 380 companies in the labelling program in 1997.

Companies certified by Abrinq are allowed to use the program label on products or in advertising. Companies must agree to not use child labour, promote this commitment to its suppliers and clients, and support programs for children's education or training. Abrinq has no formal monitoring program, but investigates alleged child labour violations.

Apparel Industry Partnership Agreement (AIP)

The AIP was announced in April 1997, following meetings initiated in 1996 by US President Clinton among representatives from the footwear and apparel industry, labour, NGOs and consumer groups. Participants included: Liz Claiborne; Nike; Phillips-Van Heusen; Reebok; L.L. Bean; Patagonia; Tweeds; Nicole Miller; Karen Kane; UNITE; the Retail, Wholesale and Department Store Union; Business for Social Responsibility; the Interfaith Center on corporate Responsibility; the International Labor Rights Fund, Lawyers Committee for Human Rights; the National Consumers League; and the RFK Memorial Center for Human Rights.

The preliminary agreement contained a workplace code of conduct, principles for the development of an independent external monitoring system, and a commitment to develop a mechanism or seal of approval for informing consumers. It was the first major industry / union / NGO agreement to be announced, thus breaking new ground, but also receiving considerable criticism for its minimal standards on wages and hours of work. Negotiations continue about issues such as the composition of the board which will be responsible for oversight of independent monitoring, who should do the monitoring, and transparency of the monitoring process.

Clean Clothes Campaign, Fair Trade Charter (Netherlands)

The Clean Clothes Campaign (CCC), involving both NGOs and trade unions, began in the Netherlands in 1990. In 1994, a Fair Trade Charter for Garments was developed by the Dutch trade union federation FNV and the Dutch development organization, NOVIB. The Charter includes a model code and a system for independent monitoring.

In 1996, the Working Group on the Fair Trade Charter (CCC, FNV and NOVIB) reached an

agreement in principle with the Dutch garment manufacturers' organization. FENECON; the federation of small and middle-sized retailers. MITEX: and the Dutch Clothing Convention. NKC. to establish a foundation to oversee the implementation and monitoring of a code of conduct together with a system of independent monitoring that might be connected to a trademark.

Trade Charter. In April 1998, the parties agreed to establish the foundation, with a board composed of equal representation from unions, NGOs, retailers and manufacturers. Business is represented by sectoral organizations rather than individual companies, but individual companies will sign agreements with the foundation. Some monitoring issues (e.g. regular or complaint-based?) remain. Financial support for a pilot project is being sought from the government.

The Clean Clothes campaign is also active in Belgium, France, Germany and the UK. and campaigns have started in several other European countries. In response to a request from the European-wide Clean Clothes Campaign, the Permanent People's Tribunal sponsored a session on "Workers and Consumers Rights in the Garment Industry" in Brussels, April 30 - May 5, 1998.

Ethical Trading Initiative (ETI)

The ETI is a civil society initiative that brings together companies from a variety of sectors, NGOs and trade unions working together with the UK government. Its focus is on labour practices throughout the worldwide supply chains of companies trading into the UK..

An ETI task group is currently working out the detailed criteria for membership, i.e. the basis of the commitments which member organisations agree to on joining. The task group is building a "Supplier and Sourcing Code" into the criteria. It will also develop principles of monitoring and auditing and hopes to develop training and other approaches to building institutional capacity in the field.

It is not clear at this time whether the ETI will itself will establish a code and function as a foundation for accrediting auditors in relation to the code, or whether it will restrict itself to providing a framework for evaluating codes and auditing systems developed by others.

Substantial funding for the ETI has been provided by the Government of the UK through the Department of International Development, but funding is also being sought from other participants in the three-year project. The five agencies which make up the British Overseas Aid Group (BOAG)—Action Aid, CAFOD, Christian Aid, Oxfam and Save the Children Fund—have each committee 15,000 pounds over the three years.

The Monitoring and Verification Working Group, a coalition of NGOs which helped establish the ETI, published *Open Trading* in 1997. It outlines various approaches to monitoring of codes of conduct.

EURATEX - ETUC/TCL Code

In September 1997, a code of conduct was agreed to by the ETUF-TCL (European textiles union) and EURATEX (employers' organization). The agreement covers core ILO conventions and applies to 60-70% of European enterprises in the sector, and their subsidiaries or sub-contractors in the developing world.

According to an ICFTU press release of September 19, it was to be signed in the presence of the General Director of Social Affairs of the European Commission. There is provision for annual evaluation of the implementation of the code, with a first report on the agreement to be submitted to the European Commission in July 1998. Monitoring procedures will then be refined on the basis of the report.

Fair TradeMark Canada

Fair TradeMark Canada is the Canadian member of Fairtrade Labelling Organizations International. FLO was established in 1997 to bring together the existing Max Havelaar, TransFair, FairTrade Foundation and other fair trade labels for commodities such as coffee, tea, cocoa, sugar, honey, bananas and orange juice. It coordinates the development of criteria, monitoring and verification of labels. FLO's governance structure is based on membership from national initiatives, with a weighting system for voting according to sales volume.

Fair TradeMark is a member of TransFair, which licenses the use of its logo to national members, who in turn have the authority to license its use in their national markets. TransFair's governance structure is also based on its national members, and each national member is, in turn, a civil society coalition. Fair TradeMark is registered in Canada as a non-profit corporation, with membership from several NGOs, union solidarity funds, churches and individuals.

Fair trade criteria touch on four elements: democratically organized producers, price, terms of credit and a commitment to long-term trade relations. In the case of coffee, there are about 340 marketing co-ops on the fair trade coffee register, representing about 500,000 small family farmers. For tea, there are 36 estates which have either a union or worker controlled committee which determines the distribution of fair trade benefits. Monitoring processes track and verify compliance at the importing, roaster/retail and producer levels.

Forest Stewardship Council (FSC)

The FSC, based in Mexico, was founded in 1993 as an international non-profit, non-governmental organization for the promotion of environmentally appropriate, socially beneficial and economically viable forest management. It provides a global program for certification of forest management. Its principles and criteria address labour, community and aboriginal concerns as well as environmental, although the environmental are the most fully developed. (There is a requirement that signatories of ILO conventions respect them, and a general requirement relating

to ILO conventions 87 and 98.) It has 220 members in 38 countries.

The FSC governance structure ensures a balance of social, economic and environmental members, and of northern and southern interests. The international organization's function is to accredit and evaluate certification bodies worldwide and to support the development of national and regional standards and certification initiatives. National or regional organizations develop standards which are consistent with the international principles, yet reflective of local conditions.

The FSC as of November 1997 had 220 members in 38 countries, and had issued 67 forest management certificates in 17 countries covering over 3 million ha. It had accredited 5 certification bodies and 8 more had applied. In the European market, over 400 products carried the FSC trade mark. Recently, in Canada, Western Forest Products broke industry ranks and applied for FSC certification (one smaller logging company is already certified).

Independent Monitoring Groups: El Salvador and Honduras

The Salvadoran Independent Monitoring Group was established in response to the December 1995 agreement by the GAP to accept independent monitoring of its code of conduct at the Mandarin International maquiladora factory in El Salvador. Its members include the Human Rights Institute of the University of Central America, Tutela Legal (Human Rights Office of the Archdiocese of San Salvador) and the Labour Studies Centre (CENTRA).

The Independent Monitoring Team in Honduras was developed following the signing of monitoring agreement in June 1997 for the Kimi Factory, which has contracts with companies such as Macy and JC Penny. The agreement was signed following a battle over efforts to unionize the plant. The Team includes CODE (Committee for the Defence of Human Rights), the Jesuits, CODEMUH (Women's Collective of Honduras) and Caritas Diocesana.

The major issues identified by participants in and supporters of these independent monitoring groups are:
- possible confusion between union and monitoring group roles;
- the importance of continuing pressure on governments to monitor and enforce labour legislation (both the Salvadoran and Honduran groups have put more emphasis on monitoring compliance with government legislation than on code compliance);
- how the concerns of southern workers can be represented in Northern negotiations about codes

International Code of Practice for Canadian Business

This code is a private sector initiative, announced in September 1997, with leadership from Canadian Occidental Petroleum; the assistance of Errol Mends of the University of Ottawa; and the involvement of the Alliance of Manufacturers & Exporters of Canada, Business Council on National Issues, Canadian Chamber of Commerce and Conference Board of Canada. The Ministers of Foreign Affairs and Labour endorsed the code as a "positive first step."

As of February 1998, 22 companies and organizations had endorsed it. In addition to those listed above, they are: Alcan Aluminium, Beak International, Cambior, Chauvco Resources, John Neville.., Kaizen Environmental Services, Komex International.., Liquid Gold Resources, Manitoba Hydro, Movado Group, Placer Dome, Profco Resources, Pulsonic Corp.., Reid Crowther International, Sanduga & Associates, Shell Canada, Suncor Energy and Wardrop Engineering.

The code principles are said to be consistent with the Guidelines for Multinational Enterprises of the OECD, although specific clauses of the OECD Guidelines are not cited. The OECD Guidelines were adopted in the 1970s. In this period, work on a UN Code of Conduct on Transnational Corporations was also starting, but was the subject of conflict between developing nations, who wanted a binding agreement aimed at multinationals, and industrialised countries, who wanted a voluntary code protecting investment. The voluntary OECD code and an ILO code (the Tripartite Declaration) were completed; work on UN code was stopped in 1992. Neither the OECD nor the ILO code has had much impact.

The Canadian business code contains no provisions for or reference to monitoring or reporting. In April 1998, Canadian Occidental announced intentions to pursue a joint venture investment in Nigeria, and cited its adherence to the code in justifying its decision.

The code lists the stakeholders of Canadian business as including local communities, Canadian and host governments, local governments, shareholders, the media, customers and suppliers, interest groups, and international agencies. Employees and trade unions are absent from the list.

International Confederation of Free Trade Unions (ICFTU) / International Trade Secretariats (ITS) Basic Code of Labour Practice

The text of this code was adopted by the ICFTU Executive Board in December 1997. It aims to establish a minimum list of standards that should be included in all codes covering labour practices. It is intended for use by unions in negotiations with companies, in working with NGOs in campaigns involving codes, and as a benchmark for evaluating any unilaterally-adopted codes. It applies to companies marketing manufactured products and companies marketing services.

It is suggested that an implementation and monitoring agreement between the company and union and any other organization would address the scope of application in each case (e.g. application of the agreement to subcontractors and suppliers) and the procedure for interpreting the meaning of provisions in the code.

Prior to this code, some unions had already reached agreements with companies or industry associations on codes of conduct applying both domestically and abroad through the collective bargaining process. Examples include:

- An ACTWU, AFL-CIO and CLC agreement with the Clothing Manufacturers

Association of the USA was reached in 1993, and is apparently still in effect, but not well known because the lack of monitoring procedures made it relatively ineffective.

- An agreement between the IUF (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations) and the French-based food and drinks transnational, Danone was announced in 1996. It mandates a joint management - union committee to propose initiatives in several areas, including the exercise of trade union rights. The agreement may prepare the way for an effective code of conduct.

- An agreement between Artsana (an Italian toy manufacturer) and Italian unions was reached in 1997. It represented Artsana's response to a campaign initiated following the Zhili factory in China which supplied Artsana. The code refers to ILO conventions 37, 98, 100, and 111, and to some additional provisions regarding health and safety. Trade union officials not employed by the company will undertake targeted inspections, to be conducted by methods decided jointly each year, with the results subject to joint assessment.

- An agreement between IKEA and the International Federation of Building and Wood Workers (IFBWW) in May 1998 provides for a code of conduct including core ILO conventions and provisions on wages, hours of work and employment security. It applies to all of IKEA's own manufacturing companies, as well as its contractors and suppliers. The Monitoring Group is composed of members from IKEA and the IFBWW (see Appendix A).

Labour Behind the Label Coalition

The Coalition was formed in 1996. Its primary emphasis is on improving working conditions for homeworkers and contract shop workers in Canada, although it is also involved in international campaigns. There are 12 members including UNITE, the CAW, national church organizations, CUSO and Oxfam-Ontario.

The Coalition is exploring various strategies to make retailers and governments more accountable for sweatshop abuses. Its "Wear Fair Charter for the Fair Treatment of Garment Workers" was developed primarily as an educational rather than a bargaining tool. The Charter goes beyond core labour rights to include provisions addressing specific problems of homeworkers and contract shop employees and gender specific problems of women garment workers. It also addresses issues of access to information: and the differing monitoring and enforcement commitments and processes required, depending on whether labour legislation is adequate and or inadequate.

In October, 1997 the Coalition joined with several other organizations (e.g. the CLC, NAC, Council of Canadians) to all on the federal government to convene a federal task force on

sweatshop abuses. The task force would address both government and private sector solutions (such as voluntary codes and monitoring systems).

Nicaragua Code of Ethics

In 1997 the Central American Network of Women in solidarity with Maquila Workers initiated a systematic campaign in order to raise awareness and to lobby regarding the human rights of women workers in the maquilas. The campaign involved media advertising, the elaboration of a Code of Ethics, the collection of 30,000 signatures from the public supporting the human rights of women workers, a campaign of awareness- raising within state institutions responsible for the implementation of laws, training with the principal women leaders in the free trade zone on their rights. and an information campaign so that the maquila workers would be aware of what the women had proposed as their mechanism for negotiation - the Code of Ethics.

The emphasis of the code is on compliance with the law and with issues specific to women maquila workers, although a clause on freedom of association was added in negotiations with a maquila owner and the government.

On February 1, 1998, the Minister of Labour of Nicaragua, representing the government at an assembly of 500 women maquila workers, signed a proclamation for the free trade zone based on the Code of Ethics. On the following day, the owners of the companies in the zone agreed (voluntarily) to comply with the Ministerial Resolution outlining the code.

Questions remain regarding implementation, i.e. how unions and other organizations of civil society will be involved.

Rugmark

Rugmark is a private, voluntary certification program providing market-driven incentives for carpet manufacturers to produce without child labour. It was established in India in September 1994, Nepal in 1995 and in Pakistan in 1997.

The program's objectives are to provide an independent and credible monitoring and certification system, and to rehabilitate and educate former child carpet workers. Monitoring and enforcement takes place through a system of licensee approval, random inspections and carpet tracking. The program is funded primarily by a combination of exporter and importer fees based on the value of the carpet.

The Rugmark trademark is registered in 14 European countries, the US, Australia and Canada. It is governed by Rugmark International which represents both producing (certifying) and consuming (promoting/marketing) countries. Rugmark Canada was formally established in 1998. Its board consists of representatives of the Canadian Anti-Slavery Group, Canadian Labour

Congress, Fair TradeMark Canada and Free the Children.

In producer countries, Rugmark is supported by UNICEF India, UNICEF Nepal, the South Asia Coalition on Child Servitude, the Asian-American Free Labor Institute, the Friedrich Ebert Foundation Pakistan and others. In Europe, it is supported by Anti-Slavery International, UNICEF Germany, Misereror, Terre de Hommes, and others. In the U.S., it is supported by the Child Labor Coalition.

There are several competing labels: Kaleen, STEP Foundation, and Care & Fair. Kaleen and STEP have less extensive monitoring systems than Rugmark; Care & Fair relies on a moral commitment. All contribute to schools or other programs for carpet workers.

Soccer Ball Agreements

a) FIFA (International Federation of Football Associations) Code of Labour Practice

In September 1996, FIFA announced an agreement with the ICFTU, ITGLWF (International Textile, Garment and Leather Workers' Federation) and FIET (International Federation of Commercial, Clerical and Technical Employees) on a Code of Labour Practice for all goods bearing its logo. The agreement followed documentation of the exploitation of child labour in soccer balls produced in Sialkot, Pakistan.

Use of the logo by a licensee signifies compliance with ILO core conventions and a minimum wage. The agreement also covers contractors and subcontractors. The Irish Congress of Trade Unions and the Football Association of Ireland agreed to a code based on the FIFA code, but the agreement has not yet received widespread support. It has not been adopted by soccer ball manufacturers or importers. FIFA, however, has endorsed the Partner's Agreement in Pakistan which involves soccer ball companies.

b) Partner's Agreement to Eliminate Child Labour in the Soccer Ball Industry

An agreement to eliminate child labour in soccer production in the Sialkot area, Pakistan, was signed in February 1997. The parties to the agreement were the Sialkot Chamber of Commerce and Industry, the ILO and UNICEF. The agreement has two elements: a prevention and monitoring program and a social protection program. It is aimed at preventing the stitching of balls by children under 14 years.

A coordinating committee of partners and NGOs administers the program. (Save the Children-UK and the Bunyad Literacy Community Council are the NGOs; and the Pakistan Bait-ul-Mal, a social welfare agency set up by the Prime Minster's office also participates.) The ILO is managing the prevention and monitoring program.

The agreement has been endorsed by 55 soccer ball companies. They agree to source balls made

in Pakistan exclusively from manufacturers who participate in the project. Participating manufacturers were to have registered by January 1998

Social Accountability 8000

The Council of Economic Priorities (US) in October 1997 announced the development of Social Accountability 8000 (SA8000), a system which defines a set of auditable standards and an independent auditing process for the protection of workers' rights.

The system includes the following:
1. Auditable standards to be respected by companies adopting SA8000. These are based primarily on conventions of the ILO and related international human rights instruments, including the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.
2. Standards for the management system necessary for a company to successfully implement SA8000. The verification system is modelled on quality and environmental management system auditing—the ISO9000 and ISO14000.
3. A "Guidance Document" to assist with interpretation and implementation.
4. Accreditation of organizations to conduct the SA8000 audits of companies. The Council on Economic Priorities Accreditation Agency (CEPAA) is responsible for accreditation. Companies then hire accredited firms to undertake monitoring.

The system is intended to apply to companies of any size, anywhere in the world, but does not currently address the agricultural sector (although a future SA80001 may do so) or extractive industries (a future SA80002 may do so). Contractors as well as companies can apply for certification, but homework is not currently addressed. Subsidiaries are not automatically certified as part of the headquarter's application for certification.

Interested parties such as NGOs and unions will be consulted by auditors. (Critics of SA8000 contend that such consultation is not a strict requirement.) They will have the right to appeal to the certification body, or to CEPAA for the revocation of the accreditation of a certification firm. They can also undertake training to become auditors.

Pilot audits were undertaken by SGS and KPMG (who are also members of the advisory board). SGS was accredited by the CEPAA in June as an auditor in. Toys R Us, Avon and Otto Versand have made commitments to adopt SA8000.

The CEPAA Advisory Board includes Neil Kearney (ITGLWF), Jack Sheinkman (formerly of UNITE, and now with the Amalgamated Bank), Oded Grajew (Abrinq), and other civil society representatives, as well as representatives from major corporations. The advisory board assisted in drafting the standards, but it is not clear in the SA8000 report what continuing role they play in the governance of SA8000.

Textile, Clothing and Footwear Union of Australia / Fairwear

The TCFUA developed a "Homeworkers Code of Practice," and has been supported in a campaign by Fairwear, a coalition of unions, churches and community groups. The code commits both retailers and manufacturers to provide unions with information which strengthens their monitoring of compliance with Australian labour legislation and, it is hoped, will strengthen government enforcement as well.

The accreditation process requires that retailers provide the union with lists of their suppliers and require of their suppliers that they comply with all laws and regulations pertaining to homeworkers. Accredited suppliers provide documentation to the code committee verifying that their subcontractors keep appropriate documentation and pay homeworkers according to government regulatory requirements.

The campaign has been successful in persuading a large number of companies to sign the code: both manufacturers and retailers. Woolworths and K Mart are among the names known in Canada.

APPENDIX A: TEXTS OF DOCUMENTS AND REFERENCES

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ABRINQ FOUNDATION

The following account is based on excerpts from *Mobilizing Corporations to Eradicate Child Labour in Brazil: A Study of Strategies Developed by the Abrinq Foundation for Children's Rights*. São Paulo: UNICEF, December 1996; and Benedito dos Santos. "Labelling Child Labor Products: A Study of Strategies Developed by the Abrinq Foundation.," Paper prepared for the Steelworkers Humanity Fund, 1998

See also:

Hilowitz, Janet, [1997?]"The Abrinq Labelling Initiative." Chap. in *Labelling Child Labour Products*. Geneva: International Labour Organization [available at <http://www.ilo.org>]

The Abrinq Foundation was established on February 13, 1990, as a non-profit-making, private law foundation whose main goal was to ensure respect for the rights of the child in compliance with national and international standards.

It defines its mission as follows: to make society aware of and committed to child issues, promoting the involvement of society and the business community in proposals for solving child-related problems through political actions in defence of their rights and through the dissemination and replication of exemplary actions.

Initially established by the Association of Toy Manufacturers, to which it remained linked for some years, the Abrinq Foundation's membership system is now open to companies operating in a broad range of sectors in the economy and to individuals. It has over 2,000 partners, including supporters and members. For the most part, it is maintained by its members, but it is also supported by grants from non-governmental organisations, Brazilian foundations, and international multilateral agencies such as the ILO and UNICEF.

The Child Friendly Corporation Program

In 1995, the Abrinq Foundation created the "Child-Friendly Corporation Program" with two central objectives:

- to encourage the commitment of business persons not to hire child labour or not to accept products and services that utilize child labour in the productive chain; and
- to augment the level of support on the part of companies with action in favour of children

- particularly programs to ensure the return, attendance, and success of children at school -- and to protect working adolescents, with emphasis on professional training.

Three basic strategies were defined in order to implement the first objective:

- the creation of the "Child-Friendly Corporation" seal;

- a campaign towards including social clauses of non-acceptance of products and services that utilized child labour in commercial contracts of purchase and sale of services and of labour, in transactions carried out both in private initiative and between the State and suppliers;

- action to strengthen the normative and inspection capacity of the organizations of the State and of civil society.

The Child-Friendly Corporation Seal

The "Child-Friendly Corporation" seal is a sort of "ISO 9000" to be used in the wrappings of products, publicity materials and advertising campaigns. The strategy of using a seal is being adopted in some countries in Europe, North America and India. The Abrinq Foundation pioneered this effort in Brazil and adapted it to the Brazilian scenario, where the seal has a unique feature: it is awarded to corporations and not to products.

Criteria:

In order to use the seal, companies must meet the following criteria:

- take on a formal commitment not to hire children under the age of 14, which according to Brazilian law is the minimum age for engaging in professional activities;
- publicize this commitment throughout their network of suppliers and customers;
- develop or support a social program for children or a professional training program for adolescents.

Selection Process:

- The telemarketing bureau (a desk set up to receive applications to the Program) receives representatives of companies interested in learning details of the Program and informs them of the requirements for becoming participants.

- Next, the Program team sends a batch of informative material to the applicant called "Child-Friendly Corporation Kit," which consists of : 1) the "Do Something for Our Children" pamphlet, describing the objectives of the Program and providing suggestions for companies not engaged in actions in favour of children but wishing to become a

"Children-Friendly Corporation"; 2) a letter of commitment; and 3) a list of the documents required to confirm whether the company has met the above-mentioned criteria.

- If the company satisfies the requirements, it signs the letter of commitment and sends it to the Abrinq Foundation, together with documents confirming its action in favour of children or adolescents. These documents include projects, reports of activities, newsletter articles, donation receipts, etc. This material is then organised in a specific file.

- Once these documents have been received, the credibility and consistency of the actions undertaken by the applicant in favour of children and adolescents are checked. To this end, a Program team consults the Foundation's network of partners: unions, non-governmental organisations, fora in defence of children's rights, public agencies and other specific bodies, such as the councils for children's rights.

- Once a decision is made, the company is immediately informed. If its application is approved, it receives, as part of the letter of acceptance, a copy of the "Child-Friendly Corporation" seal.

- Finally, a public diploma-awarding ceremony is held as an important part of the process. Authorities, celebrities, and media are invited to make their adherence to the Program as visible as possible. The ceremonies are organized strictly at the convenience of the Abrinq Foundation and of the companies receiving the diploma. Usually, data or facts which can further the interests of children are taken advantage of, or else companies are grouped according to their geographical proximity.

- The seal is valid for one year. Companies can renew the license to use it by reaffirming their commitments, and this is only done after their actions are rechecked according to the above-mentioned criteria.

How the Decision Is Made:

The Abrinq Foundation's organizational structure consists of an Administrative Council—basically composed of entrepreneurs—which elects a Board of Directors from among members to carry out the deliberations in the Members' Assembly. The Foundation also has a General Consultative Council made up of experts in diverse areas related to the promotion and defence of children's rights and a Fiscal Council elected from among members. At the operational level each of its major Programs also has a specific Consultative Council.

The decision making process as to which corporations are awarded the seal is the following:

a) first the "Children-Friendly Corporation" Program secretariat checks that all bureaucratic requirements have been met;

b) then the Consultative Council for the Program is heard and makes its recommendation to the Administrative Council which makes the final decision;
c) in case of doubt the latter can also listen to the General Consultative Council.

Achievements:

During the first year of the Program, 264 companies were authorized to use the seal, including agro-industrial, industrial, commercial, service, financial, joint stock and state-owned corporations and airports. The first seal was awarded to CESP, Companhia Energetica de São Paulo, an electricity utility. The only application that was turned down was that of Companhia Brasileira de Petróleo (Petrobras) because it buys alcohol from mills hiring child labour.

Companies use the seal in different ways. They have it printed it in their national and international correspondence; in advertising campaign items (both on their products and in the media); in newspapers, magazines, newsletters, and institutional documents describing their activities.

According to the Abrinq Foundation, the main achievements are:
- Visibility and inclusion of the child labour issue on the agenda of social actions;
- Mobilization and social organization to put an end to child labour;
- Contributing to the formulation and implementation of policies to eradicate child labour:

Challenges:

Developing and implementing a monitoring process has been a difficult task. Awarding the seal to many companies causes logistical problems to the Abrinq Foundation: at this moment, the basis on which to confirm whether the applicants fulfil all the criteria is preferably through on-site visits. This process is already difficult enough for new companies applying for the "Child-Friendly Corporation Program," as well as for requests for renewing the seal, which are made at different periods of the year. The geographical dimensions of the country cause increases to its operational cost so that before the infrastructure of the Program can be expanded (which would be the most sensible solution to the above-mentioned difficulties); a cost-benefit analysis must be carried out. On the other hand evaluating cost-benefits it is not a simple task because indicators and methodologies have not yet been consolidated.

Furthermore, the Program's expansion can pose questions to the issue of the singularity of the companies which are awarded the seal: Wouldn't a massive distribution of the seal diminish the seal's uniqueness? Nevertheless, the social practice has shown that new paths and new alternatives and solutions can be found: the emergence of new actors willing to share the strategy would facilitate the certification, monitoring, and assessment process, and the specialization of new kinds of seals would prevent the seal from becoming another "fad" thus making it possible for a single company to be awarded different seals for distinct actions.

APPAREL INDUSTRY PARTNERSHIP

The Apparel Industry Partnership Agreement was announced April 14, 1997. Negotiations to determine an implementation plan continue. The following document is found at: <http://www.dol.gov.dol/esa/public/nosweat/partnership>

See also:

American Friends Service Committee [and 36 others], 1997. "The Apparel Industry Partnership: Critical Unresolved Areas." *The Corporate Examiner*, 26(1): 2

Sweeney, Kevin J. [Patagonia, Inc.]. 1997. "The Strengths and Limits of Consumer-Driven Codes of conduct, and a Mid-Stream View of the Apparel Industry Partnership." Paper presented to the Notre Dame Centre for Ethics and Religious Values in Business, October 6.

Report of Apparel Industry Partnership

The members of the Apparel Industry Partnership hereby report to the President and to the public on:

* The announcement of the attached "Workplace Code of Conduct" as a set of standards defining decent and humane working conditions;

* The individual determination of each company participating in the Partnership to adhere to the Code and to implement as soon as reasonably practicable a monitoring program consistent with the attached "Principles of Monitoring," by adopting an internal monitoring program consistent with such Principles and utilizing an independent external monitor that agrees to conduct its monitoring consistent with such Principles; and

* The Partnership's commitment to work together to form, during a six-month transition period, a nonprofit association that would have the following functions intended to provide the public with confidence about compliance with the Code:

- To determine the criteria for company membership in the association and for companies to remain members in good standing of the association;
- To develop criteria and implement procedures for the qualification of independent external monitors;
- To design audit and other instruments for the establishment of baseline monitoring practices;
- To continue to address questions critical to the elimination of sweatshop practices;
- To develop means to maximize the ability of member companies to remedy any

instances of noncompliance with the Code; and
- To serve as a source of information to consumers about the Code and about companies that comply with the Code.

The association would be governed by a board whose members would be nominated by companies, labor unions and consumer, human rights and religious groups. The Partnership would work together during this transition period to further determine the governance of the association.

Workplace Code of Conduct

The Apparel Industry Partnership has addressed issues related to the eradication of sweatshops in the United States and abroad. On the basis of this examination, the Partnership has formulated the following set of standards defining decent and humane working conditions. The Partnership believes that consumers can have confidence that products that are manufactured in compliance with these standards are not produced under exploitative or inhumane conditions.

Forced Labor. There shall not be nay use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

Child Labor. No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture[1] allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

Harassment or Abuse. Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

Nondiscrimination. No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

Health and Safety. Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.

Freedom of Association and Collective Bargaining. Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.

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[1]All references to local law throughout this Code shall include regulations implemented in accordance with applicable local law.

Wages and Benefits. Employers recognize that wages are essential to meeting employees' basic needs. Employers shall pay employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits.

Hours of Work. Except in extraordinary business circumstances, employees shall (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such country plus 12 hours overtime and (ii) be entitled to at least one day off in every seven day period.

Overtime Compensation. In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.

Any company that determines to adopt the Workplace Code of Conduct shall, in addition to complying with all applicable laws of the country of manufacture, comply with and support the Workplace Code of Conduct in accordance with the attached Principles of Monitoring and shall apply the higher standard in cases of differences or conflicts. Any company that determines to adopt the Workplace Code of Conduct also shall require its contractors and, in the case of a retailer, its suppliers to comply with applicable local laws and with this Code in accordance with the attached Principles of Monitoring and to apply the higher standard in cases of differences or conflicts.

Principles of Monitoring

I. Obligations of Companies[2]

A. Establish Clear Standards

- Establish and articulate clear, written workplace standards[3]

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[2]It is recognized that implementation by companies of internal monitoring programs might vary depending upon the extent of their resources but that any internal monitoring program adopted by a company would be consistent with these Principles of Monitoring. If companies do not have the resources to implement some of these Principles as part of an internal monitoring program, they may delegate the implementation of such Principles to their independent external monitors.

[3]Adoption of the Workplace Code of Conduct would satisfy the requirement to establish and articulate clear written standards. Accordingly, all references to the "workplace standards"

- Formally convey those standards to company factories as well as to contractors and suppliers[4]
- Receive written certifications, on a regular basis, from company factories as well as contractors and suppliers that standards are being met, and that employees have been informed about the standards
- Obtain written agreement of company factories and contractors and suppliers to submit to periodic inspections and audits, including by independent external monitors, for compliance with the workplace standards

B. Create An Informed Workplace

Ensure that all company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis

C. Develop An Information Database

- Develop a questionnaire to verify and quantify compliance with the workplace standards
- Require company factories and contractors and suppliers to complete and submit the questionnaire to the company on a regular basis

D. Establish Program to Train Company Monitors

Provide training on a regular basis to company monitors about the workplace standards and applicable local and international law, as well as about effective monitoring practices, so as to enable company monitors to be able to assess compliance with the standards

E. Conduct Periodic Visits and Audits

- Have trained company monitors conduct periodic announced and unannounced visits to an appropriate sampling of company factories and facilities of contractors and suppliers

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and the "standards" throughout this document could be replaced with a reference to the Workplace Code of Conduct.

[4]These Principles of Monitoring should apply to contractors where the company adopting the workplace standards is a manufacturer (including a retailer acting as a manufacturer) and to suppliers where the company adopting the standards is a retailer (including a manufacturer acting as a retailer). A "contractor" or a "supplier" shall mean any contractor or supplier engaged in a manufacturing process, including cutting, sewing, assembling and packaging, which results in a finished product for the consumer.

to assess compliance with the workplace standards

- Have company monitors conduct periodic audits of production records and practices and of wage, hour, payroll and other employee records and practices of company factories and contractors and suppliers

F. Provide Employees With Opportunity to Report Noncompliance

Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable company employees and employees of contractors and suppliers to report to the company on noncompliance with the workplace standards, with security that they will not be punished or prejudiced for doing so

G. Establish Relationships with Labor, Human Rights, Religious or Other Local Institutions

- Consult regularly with human rights, labor, religious or other leading local institutions that are likely to have the trust of workers and knowledge of local conditions and utilize, where companies deem necessary, such local institutions to facilitate communication with company employees and employees of contractors and suppliers in the reporting of noncompliance with the workplace standards
- Consult periodically with legally constituted unions representing employees at the worksite regarding the monitoring process and utilize, where companies deem appropriate, the input of such unions
- Assure that implementation of monitoring is consistent with applicable collective bargaining agreements

H. Establish Means of Remediation

- Work with company factories and contractors and suppliers to correct instances of noncompliance with the workplace standards promptly as they are discovered and to take steps to ensure that such instances do not recur

  Condition future business with contractors and suppliers upon compliance with the standards

II. Obligations of Independent External Monitors

A. Establish Clear Evaluation Guidelines and Criteria

Establish clear, written criteria and guidelines for evaluation of company compliance with the workplace standards

B. Review Company Information Database

Conduct independent review of written data obtained by company to verify and quantify compliance with the workplace standards

C. Verify Creation of Informed Workplace

Verify that company employees and employees of contractors and suppliers have been informed about the workplace standards orally, through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and through other educational efforts

D. Verify Establishment of Communications Channel

Verify that the company has established a secure communications channel to enable company employees and employees of contractors and suppliers to report to the company on noncompliance with the workplace standards, with security that they will not be punished or prejudiced for doing so

E. Be Given Independent Access to, and Conduct Independent Audit of, Employee Records

- Be given independent access to all production records and practices and wage, hour, payroll and other employee records and practices of company factories and contractors and suppliers
- Conduct independent audit, on a confidential basis, of an appropriate sampling of production records and practices and wage, hour, payroll and other employee records and practices of company factories and contractors and suppliers

F. Conduct Periodic Visits and Audits

Conduct periodic announced and unannounced visits, on a confidential basis, of an appropriate sampling of company factories and facilities of contractors and suppliers to survey compliance with the workplace standards

G. Establish Relationships with Labor, Human Rights, Religious or Other Local Institutions

- In those instances where independent external monitors themselves are not leading local human rights, labor rights, religious or other similar institutions, consult regularly with human rights, labor, religious or other leading local institutions that are likely to have the trust of workers and knowledge of local conditions
- Assure that implementation of monitoring is consistent with applicable collective bargaining agreements and performed in consultation with legally constituted unions representing employees at the worksite

H. Conduct Confidential Employee Interviews

- Conduct periodic confidential interviews, in a manner appropriate to the culture and situation, with a random sampling of company employees and employees of contractors and suppliers (in their local languages) to determine employee perspective on compliance with the workplace standards
- Utilize human rights, labor, religious or other leading local institutions to facilitate communication with company employees and employees of contractors and suppliers, both in the conduct of employee interviews and in the reporting of noncompliance

I. Implement Remediation

Work, where appropriate, with company factories and contractors and suppliers to correct instances of noncompliance with the workplace standards

J. Complete Evaluation Report

Complete report evaluating company compliance with the workplace standards

CLEAN CLOTHES CAMPAIGN: FAIR TRADE CHARTER

The following description of the Fair Trade Charter is found at <http://www.cleanclothes.org>. The Clean Clothes Campaign of the Netherlands has also written a comparison of the "Foundation model" and the "Accounting model" of monitoring, available at the same address. We do not have the text of the April 1998 agreement to establish a foundation.

The Fair Trade Charter for Garments is a code of conduct for all retailers selling clothes in the Netherlands. The Charter forms a part of the Clean Clothes Campaign.

The objective of the Charter is to improve working circumstances and conditions in the garment industry. Garment production is understood to be all activities that take place after the production (dyeing included) of the cloth. The central idea is that the retailers, as subcontractors and buyers, are responsible and, through their policy, capable of realizing better working circumstances and conditions.

Stated in the Charter are seven conditions production has to comply with. These are based on the conventions of the ILO (International Labour Office). They concern the most elementary labour rights: the right to organize and to collective bargaining, the right to a living wage and to safe and healthy working circumstances as well as the conventions relating to maximum hours of work, minimum age and non-discrimination.

Retailers, upon signing, get the right to a window-trademark—they can advertise themselves as sellers of clean clothes. They also put themselves open to control by an independent monitoring institution. This is to be set up by a coalition of representatives of consumers, workers and branch organizations. The institution will investigate complaints and check on the information supplied by the retailer. The retailer can be addressed, and eventually lose the trade-mark, if the clothes they sell are produced in violation of the code.

THE CHARTER

(We are working on a official translation of the text of the charter and the ideas behind it. So please contact us if you want to use it in any way.)

The Retailer:

1.Takes full responsibility for the way in which the garments they sell are produced. All garments are produced in compliance with the conditions for production stated. It is stressed that this responsibility extends to the entire chain of subcontracting. When in the following the term 'workers' is used this encompasses all female and male persons working in garment production, including home-based workers; temporary, part-time and seasonal workers, illegal and sweatshop workers and migrant workers without residency.

2. Puts itself open to control by an independent controlling/monitoring institution to be set up for this purpose and cooperates wholeheartedly by giving any information asked for at any time. (Both with respect to general company policy and financial performance as with respect to production, subcontracting and buying). Retailers are also obliged to support the controlling institution financially by donating a certain percentage of their annual turnover.

Conditions for Production:

1. Workers have the right to freely organize and to establish and join independent trade unions and other organizations of their own choosing, without previous authorization.

ILO Convention no. 87: Freedom of Association and Protection of the Right to Organize Convention.
Number of ratifications (per 1/1/91): 98

2. Workers have the right to have representative organizations of their own choosing recognized for the purpose of collective bargaining. The collective bargaining takes place without any acts of interference by the employers.

Convention no. 98: Right to Organize and Collective Bargaining Convention.
Number of ratifications: 114

3. The workers make a living wage, at least sufficient for the basic needs (food, clothing and shelter) of themselves and their direct family dependants. The amount equals at least the minimum wage of the respective country.

Referring to convention no. 26, Convention concerning the Creation of Minimum Wage Fixing Machinery. The ways in which a minimum wage can be fixed or changed are elaborated.
Number of ratifications: 98

Concerning the wage-level article 2 and 3 of convention 131, concerning Minimum Wage Fixing with Special Reference to Developing Countries is referred to (number of ratifications: 34) as well as the UN calculations concerning the cost of living.

4. The humber of hours worked per week and the arrangements concerning (the pay of) overwork are for all

Convention Limiting the Hours of Work in Industrial Undertakings to Eight in the Day and Forty-eight in the week. Number of ratifications: 49. If national law states a maximum lower than this employers have to act according to the law.

5. The standards for safety and health as set by the ILO should be observed.

Convention no. 155, concerning Occupational Safety and health and the Working Environment. (specifically part I: Action at the level of the Undertaking). Number of ratifications: 12

6. Employers respect the minimum age requirements of the ILO.

Convention no. 138, concerning Minimum Age for Admission to Employment. Number of ratifications: 40.

7. Employers pursue policies designed to promote equality of opportunity and treatment in employment. This means there will be no discrimination on race, colour, sex, religion, political opinion, national extraction or social origin.

Convention no. 111, concerning Discrimination in Respect of Employment and Occupation. Number of ratifications: 110.

Lastly the Retailer is required to protest actively with the subcontractor/supplier in case of complaints concerning the violation of any ILO convention other than the above mentioned.

ETHICAL TRADING INITIATIVE

The following document is found at <http://ethicaltrade.org>.

Other references include:

New Economics Foundation and the Catholic Institute for International Relations. 1997. *Open Trading: Options for Effective Monitoring of Corporate Codes of Conduct.* Prepared for the Monitoring and Verification Working Group. London: New Economics Foundation

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Everything You Always Wanted to Know About the Ethical Trading Initiative

What is the Ethical Trading Initiative?

The Ethical Trading Initiative is a bold and exciting initiative which brings together a wide range of organisations from all parts of society with the aim of helping to make substantial improvements to the lives of poor working people around the world. As consumers of the goods they produce we all have a stake in this unique and innovative initiative.

The ETI aims to develop and encourage the use of a widely endorsed set of standards, embodied in codes of conduct, and monitoring and auditing methods which will enable companies to work together with other organisations outside the corporate sector to improve labour conditions around the world. Many companies are already working to improve their own sourcing policies, but by developing a shared approach, the ETI will make a major contribution to the development of standards and methods which can be used by any company, large or small.

Why is it needed?

There is a growing concern among consumers that goods they buy should be produced in conditions that are safe and decent and which enable working people to maintain their dignity and a reasonable standard of living. Companies are responding by drawing up codes of conduct. For example, in the US up to 85% of large companies now have codes of conduct. In the UK many
companies have also adopted codes of conduct.

This is a positive step. However, these written commitments need to be backed up by action - monitoring working conditions and working with suppliers to improve them - if they are going to improve the lives of workers. The ETI addresses this need to develop codes and monitoring systems which actually make a difference.

Who is involved?

* A range of companies which are taking a leading role in developing more ethical forms of trading. These include supermarkets, clothes retailers, a beverage company, a telecommunications company and a DIY retailer.
* Trades Union organisations representing huge numbers of workers world-wide.
* Development and human rights organisations committed to ensuring that key stakeholders in the South have a voice in both developing and monitoring codes of conduct.
* The Government, through the Department for International Development and with support from the Department for Trade and Industry, which is actively encouraging voluntary agreement and implementation of common standards by the widest possible group of companies.

Organisations involved:

The ETI is supported by the Department for International Development and the Department for Trade and Industry of the British Government.

Is the ETI any different from other initiatives being developed in this area?

Yes. The ETI is unique because it is an ongoing collaboration between industry, non-governmental organisations, Trades Unions and Government which will develop practical tools for developing best practice in the field of ethical trading. All of these key stakeholders are committed to effecting positive change for poor working people by developing the best possible methods for meeting higher ethical standards in business.

Will the ETI just be a talking shop?

Not at all. The aim is to produce a number of practical and cost-effective tools which can be tested and adapted until they are suitable for widespread use. Transparency and trust will be part of the process and companies which wish to join will be required to agree to a number of membership principles in order to ensure active rather than passive participation in this exciting process.

Will the ETI really make a difference?

The ETI certainly will make a difference. This unique initiative will ensure that good intentions and bold claims are backed by real change. It will develop and improve the tools companies need so that, in terms of making a real difference to the lives of poor working people, they can achieve tomorrow what they cannot do today. In fact, without the ETI, there is a real danger of a profusion of advertising claims, "ethical" labels and endorsements which will hinder real progress towards improving working conditions and confuse or mislead consumers. Does this mean that all the companies mentioned are going to adopt the new system developed by ETI?

Not yet. ETI will shortly agree formal membership commitments for companies and other members to meet. ETI is initially a process to establish what works - that is what improves working conditions - and what doesn't. This work will be reported and, following the project, it is likely that companies will adopt a variety of approaches, which suit the different sectors and countries involved.

How long will it be before improvements in working conditions are made?

The unique collaborative nature of the ETI means that there is no doubt that it can help bring about significant improvements to the lives of thousands of workers across the world over the next three years. This initial operating period will also be an opportunity for the ETI to set the pace for hundreds of other companies in the UK and elsewhere and it is our intention to build an influential body capable of indirectly affecting the situation of hundreds of thousands of workers world-wide over the long term.

Is the launch of this initiative due to consumer pressure?

The ETI is very much a response to the concerns of ordinary people who want to see the dream of ethical trading turned into reality. Many people, from consumers and investors to trades union in the north and south and managers within major companies, want to see improvements made to the lives of many of the people who work hard making the goods we all consume. The ETI will build on steps already being taken within the corporate sector to meet this demand by providing mechanisms for bringing about real and lasting change.

Will this process inevitably lead to higher prices for the consumer?

The objective of the ETI is to bring about changes that lead to improvements in working conditions. This will be carried out in such a way as to complement existing sourcing practices and the tools being developed are designed to make that process cost effective and transparent.

Does ETI mean that the whole Fair Trade issue is now superseded?

A Fair trade is not the same thing at all. ETI is an approach to ensuring decent minimum standards are met in the production of the whole range of a company's products. By contrast Fair Trade is primarily concerned to trade directly with specially marginalised producers in the South. It ensures that producers are paid enough to manage sustainably, despite often low world prices. Many consumers will always be prepared to buy special fair trade products, while expecting that mainstream products are safely and decently produced.

Is it right for organisations in the North to impose their standards on those in the South?

The ETI is certainly not in the business of imposing standards. The standards under development are based around core International Labour Organisation conventions that have been agreed and

signed up to by the vast majority of governments in the North and the South. There is no question of imposing arbitrary standards which do not suit the needs of poor working people in the South.

The ETI has an international dimension by including members with close links with organisations representing workers interests in the South. The ETI board will eventually include direct involvement of such an organisation. A forum, bringing together key organisations from around the world, will meet early next year and an international conference is also planned for 1998.

What does it cost to join the ETI?

The Government has already recognised the value of this initiative and agreed to fund over half the anticipated costs for the first three years. We are looking for further contributions from companies, non-governmental organisations and trades unions. Partners within the ETI will continue to make a valuable contribution to resourcing the initiative with experience and expertise.

Can anyone join the ETI?

Those already involved in the ETI have agreed that core membership depends on making some clear commitments to practical action. For companies this will, of course, include the need to move towards agreeing codes of conduct and an approach to monitoring that is rigorous, independently verified and transparent. For non-governmental organisations and Trades Unions, commitment to the project includes the need to develop expertise and capacity to enable them to make a positive contribution to the process over the long term.

Does the ETI solve the world's problems?

The ETI will make a major contribution to addressing the needs of many poor working people but the implementation of voluntary codes, monitoring and auditing practices is obviously not enough on its own to solve the global problems of poverty and social exclusion. Many major questions need to be addressed, such as the future direction of policies connected to trade liberalisation, debt and environmental protection and the political will of national governments and the international community to ensure that fundamental human rights in employment are enjoyed by all working people.

Ethical Trading Initiative Participants

Companies: Asda Stores Ltd, B & Q plc., Boots The Chemist Ltd., British Telecom, C & A, Co-operative Wholesale Society, Grattan, J Sainsbury, Littlewoods, Monsoon, Premier Brands, Safeway Stores, Somerfield, Tesco Stores, The Body Shop, Waitrose,

Non-Governmental Organisations: Action Aid, Amnesty Business Group, Anti-Slavery International, British Retail Consortium, CAFOD, Catholic Institute for International Relations, Christian Aid, Council on Economic Priorities, Fairtrade Foundation, Home-net, Institute of Social and Ethical AccountAbility, New Economics Foundation, Oxfam UK/I, Prince of Wales Business Leaders Forum, Save the Children Fund, Traidcraft Exchange, TWIN, Women Working Worldwide, World Development Movement

Trade Unions: The Trades Union Congress (TUC), The International Confederation Of Free Trades Unions (ICFTU), International Trade Secretariats

The ETI is supported by the UK Government Department for International Development.

EURATEX - ETUC / TCL

The following code is located at: <http://www.citinv.it/org/CNMS>

Une Charte des Partenaires Sociaux dans le Secteur Textile / Habillement Européenne

Code de Conduite

Préambule

L'Organisation Européenne du Textile et de l'Habillement (EURATEX) et la Fédération Syndicale Européenne du Textile, de l'Habillement et du Cuir (FSE:THC), réunis en Dialogue Social Sectoriel au niveau européen, rappellent leur profond attachement au respect des droits des personnes.

Les partenaires sociaux au niveau européen souhaitent un commerce mondial ouvert et loyal.

Ces partenaires ont décidé d'oeuvrer en faveur d'une industrie du textile et de l'habillement européenne qui soit rentable, compétitive internationalement et basée sur le respect tant des travailleurs que des employeurs.

Article 1 - Code de Conduite

EURATEX et FSE:THC appellent leurs membres à encourager activement les entreprises et les travailleurs du secteur Textile/Habillement européen à respecter les conventions suivantes de l'OIT:

1) Interdiction du travail forcé (Conventions 29 et 105):
Le travail forcé, en esclavage ou fourni par des prisonniers est interdit.

2) Liberté d'association et droit de négociation (Conventions 87 et 98):
Le droit des travailleurs de former des syndicats et de syndiquer, ainsi que le droit des employeurs à s'organiser, sont reconnus. Les employeurs et les travailleurs peuvent négocier librement et de manière indépendante.

3) Interdiction du travail des enfants (Convention 138):
Le travail des enfants est interdit. Les enfants de moins de 15 ans ou plus jeunes que l'âge de la scolarité obligatoire en vigueur dans les payses concernés ne sont pas admis au travail.

4) Non discrimination dans l'emploi (Convention 111):
Les travailleurs sont employés sur la base de leur aptitude au travail et non sur la base de leur

race, careactéristique individuelle, croyance religieuse, opinion politique ou origine sociale.

Article 2 - Dissémination et promotion

a) EURATEX et la FSE:THC s'engagent à promouvoir et à diffuser la présente Charte dans les langues appropriées et à tous les niveaux d'ici le 31/12/1997.

b) EURATEX et la FSE:THC appelleront leurs organizations membres respectives à adopter cette Charte et à encourager sa mise en oeuvre progressive au niveau des entreprises.

Article 3 - Suivi et évaluation

a) EURATEX et la FSE:THC conviennet, dans le cadre du Dialogue Social Sectoriel, de suivre l'accomplissement progressif de la mise en oeuvre de présent Charte.

b) A cet effet, EURATEX et la FSE:THC effectueront anuellement une évaluation de la mise en oeuvre de la présente Charte, la première intervenant au plus tard le 10 juillet 1998. Les résultats de cette évaluation seront rapportés dans le cadre du Dialogue Social Sectoriel. EURATEX et la FSE:THC pourront demander à la Commission et aux Etats Membres de leur fournir tout l'assistance nécessaire à cet effet.

c) EURATEX et la FSE:THC pourront décider conjointement et librement d'entamer dans le cadre du Dialogue Social Sectoriel européen toute autre initiative dans le prolongement de la mise en oeuvre de la présente Charte.

FAIR TRADEMARK CANADA / TRANSFAIR INTERNATIONAL

The sections below titled "Governance" and "Monitoring" are from: Bob Thomson. "Notes for a Learning Circle Presentation on Fair TradeMark Canada." Paper prepared for the Steelworkers Humanity Fund. Mimeo, Toronto, 1998. The chart of "Basic Criteria" was also provided by Bob Thomson of Fair TradeMark Canada.

For additional resources see:

Fair TradeMark's web page: <http://www.web.net/fairtrade>

Ten Days for Global Justice, 1998. *A Taste for Justice*: *Education and Action Guide*. Toronto: Ten Days for Global Justice

van Beek, Herman. 1998 [?]. "The Role of Fair Trade and the Social and Environmental Responsibility of the Private Sector." Found at <http://www.citinv.it/associazioni/CNMS>

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2. Governance

TransFair

The TransFair logo is owned by TransFair International and its use is licensed to national members which have the authority to in turn license its use in their national markets. TransFair offers a sort of national 'franchise' to its members in return for a share of license revenues (one third) to cover central costs for monitoring, coordination and promotion.

Each TransFair member or affiliate is a coalition of national NGOs, ATOs, churches, labour organizations, etc. which represents a national social/political base able to independently certify that conditions of fairness are being met, within the framework of TransFair's overall product criteria. A TransFair Council of Members meets twice a year to set overall policy and an Executive Board meets three to four times a year between Council meetings. Members with licensed sales have equal votes at Council meetings.

FLO International

FLO's governance structure is a modified form of TransFair's, with votes based on a 5-3-1 weighting system according to the sales volumes of the larger, medium and smaller national initiatives.

Product Registers

Product Register Committees meet three or four times a year to deal with new Register

applications. modifications to criteria and oversight of the monitoring work of FLO Register staff and consultants. The Committees are made up of members appointed by the FLO Meeting of Members and include at least one outside independent expert for the commodity in question (coffee, tea, cocoa, sugar, honey, bananas and frozen orange juice concentrate).

Each product register is responsible for the monitoring of importer licence agreements and import contracts for all FLO members. National label initiatives are responsible for monitoring and auditing sales from licensed importers to licensed roasters and/or retailers in their markets.

Product Register staff are also responsible for monitoring the democratic "credentials" of producer groups on their Register to ensure that producers themselves control the benefits received from fair trade conditions.

National Initiatives

As noted above, each FLO member or affiliate is a coalition of national NGOs, ATOs, churches, labour organizations, etc. which represents a national social/political base able to independently certify that conditions of fairness are being met.

Fair TradeMark Canada is a registered with Industry Canada as a "corporation without share capital", the normal status of non-profit corporations in Canada. However, we do not have, and do not intend to apply for, charitable status, the normal legal form of NGOs in Canada. Our membership currently consists of: Inter Pares, CUSO, the Canadian Autoworkers Social Justice Fund, the Steelworkers Humanity Fund, World Vision of Canada, the Canadian Catholic Organization for Development and Peace, Horizons of Friendship, the United Church of Canada, the Christian Reformed World Relief Committee, Ten Days for Global Justice, Oxfam-Canada and a number of individual supporters.

We have a Board of four and a staff of one and are in the process of hiring one more staff person.

We signed a Co-operation Agreement with TransFair International in 1995 and joined FLO as a founding member in April 1997.

4. Monitoring

Importing

Upon the signature of a purchase contract, fair trade importers advise the appropriate FLO Register of the Register supplier's name and the date, volume, price and quality of commodity purchased. This contract information is verified by Register staff directly with the producers and proof of the transfer of funds is provided through copies of shipping documents and/or bank statements.

Roasters/Retailers

Each national label initiative in FLO is responsible for monitoring the flow of coffee to their national licensees from registered fair trade importers and for reporting these flows to the FLO Register office.

Licence agreements give each national initiative the right to inspect the books of licensees, including the undertaking of special audits of financial and inventory records by fair trade appointed auditors. Normally, licensees have their own professional auditors produce special statements on quantities of fair trade coffee, tea, etc. purchased, packaged and sold and separate audits are required only if discrepancies are suspected. Special audits are financed from the licence fees charged by each FLO national initiative.

Quarterly reports from licensees based on actual sales are forwarded to FLO by each national initiative to permit the calculation of licence fees and the tracking and matching of flows from producers to importers to licensees. Obviously a degree of trust in involved in this monitoring process, but it is unlikely, given the legal safeguards built into the process that a reputable commercial company or their auditors would risk their business reputations by submitting false reports. A number of licensees have been struck from the Register and/or national licences have been cancelled as a result of monitoring carried out through this legal framework.

Producers

FLO Register staff and local consultants monitor general membership meeting minutes and annual financial reports and actually attend some meetings to ensure that members do control decisions made about the distribution of fair trade benefits. Databases of producer group information are maintained by FLO, together with commodity contract transaction/sales data.

Detailed questionnaires are provided to groups applying to join FLO Registers and staff or consultants visit applicants to verify this information prior to submission of applications to the Register Committee for approval.

Export quality commodity samples are also required to ensure that each group is capable of meeting the requirements of importers and retailers. An appeal process is available for applicants which are not accepted.

THE BASIC CRITERIA OF TRANSFAIR INTERNATIONAL (FAIR TRADEMARK CANADA)				
	Producers	Minimum Price	Advance Payment	Longer Term Contract
Basic Criteria	Definition of 'disadvantaged producer groups, which have to be organized in such a way, that participation of the primary producers in many decisions on extra benefits is ensured.	Definition of a minimum price, which not only covers the costs of production, but also ensures a margin for investment in the future. Where applicable, a bio-bonus is added in order to support sustainable production methods.	Provision for advance payment or credit, so that producers do not fall into debt before sales can be realized.	Aim to promote longer term trading relationships, in order to provide income security for the producers as a basis for planning for future investments.
Coffee	Associations of small scale farmers only (i.e. structurally independent of hired outside labour).	Min. 2,36/1,24 U$/lb fob for washed; 120 U$ fob for unwashed arabica coffees. Robustas: min. 1,10 U$/lb fob for washed, 1,06 U$/lb fob for unwashed qualities; Fixed premium of 5 $cts/lb on top if market price rises above the premium; Bonus for certified bio-qualities of 0.15 U$/lb.	Advance payment of up to 60% upon the request of the producer.	Letter of intent for future orders, containing volumes, quality, price fixing procedures and shipping schedule for a period not less than one crop-cycle; purchases as directly as possible from the farmers' associations.
Tea	Premium to benefit pluckers/factory workers directly (irrespective if plantation or coop); joint decision taking body (workers / management)	Market price to cover at least the Cost of Production Premium; DM 2,50/kg (DM 3 for bio); on top of market price; Reduced licence fee for packing in producer country	Advance payment of up to 60% upon the request of the producer	Letter of intent to remain with a source for at least one year.
Honey	Associations of small scale farmers only (i.e. structurally independent of hired outside labour)	Minimum price of U$ 1.550/MT FOB; additional premium of U$ 200,- per MT for certified organically produced honey	Advance payment of up to 60% upon the request of the producer	Letter of intent, in which volumes, quality, price fixing procedures & shipping schedule for a period not less than 1 year are mutually confirmed
Cocoa	Associations of small scale farmers only (i.e. structurally independent of hired outside labour)	Minimum price of U$ 1.725/MT FOB; sliding price scale up to US$ 2.550/MT; additional premium of U$ 300,-per MT for certified organically produced cocoa	Advance payment of up to 60% upon the request of the producer	Letters of intent at least three months prior to harvesting time, confirming all purchases covering a period less than one crop cycle.
Sugar	Associations of small scale farmers only (i.e. structurally independent of hired outside labour)	480 $US/MT FOB for semi-refined brown sugar; 520 $US/MT for white refined sugar; 650 $US/MT for non centrifugal whole sugar; bio premium 120 U$/MT	Advance payment of up to 60% upon the request of the producer	Letters of intent at least three months prior to harvesting time, confirming all purchases covering a period not less than one crop cycle.

FOREST STEWARDSHIP CANADA

The FSC criteria printed below are found at the FSC's international web page, <http:/www.fscoax.org>. See also:

Levy, Marcelo. 1998. "The Forest Stewardship Council's Certification Program: Background Paper." Paper prepared for the Steelworkers Humanity Fund. Mimeo. Toronto.

von Mirbach, Martin, 1997. "Demanding Good Wood." *Alternatives Journal*, 23(3)

see also: <http:/www.web.net/fscca>, the web page for the FSC, Canadian Initiative.

Excerpts from:

PRINCIPLES AND CRITERIA FOR FOREST STEWARDSHIP
Revised March 1996, edited October 1996

INTRODUCTION

...The FSC's Principles and Criteria (P&C) apply to all tropical, temperate and boreal forests, as addressed in Principle #9 and the accompanying glossary. Many of these P&C apply also to plantations and partially replanted forests. More detailed standards for these and other vegetation types may be prepared at national and local levels. The P&C are to be incorporated into the evaluation systems and standards of all certification organizations seeking accreditation by FSC. While the P&C are mainly designed for forests managed for the production of wood products, they are also relevant, to varying degrees, to forests managed for non-timber products and other services. The P&C are a complete package to be considered as a whole, and their sequence does not represent an ordering of priority. This document shall be used in conjunction with the FSC's Statutes, Procedures for Accreditation and Guidelines for Certifiers.

FSC and FSC-accredited certification organizations will not insist on perfection in satisfying the P&C. However, major failures in any individual Principles will normally disqualify a candidate from certification, or will lead to decertification. These decisions will be taken by individual certifiers, and guided by the extent to which each Criterion is satisfied, and by the importance and consequences of failures. Some flexibility will be allowed to cope with local circumstances.

The scale and intensity of forest management operations, the uniqueness of the affected resources, and the relative ecological fragility of the forest will be considered in all certification assessments. Differences and difficulties of interpretation of the P&C will be addressed in national and local forest stewardship standards. These standards are to be developed in each country or region involved, and will be evaluated for purposes of certification, by certifiers and other involved and affected parties on a case

by case basis. If necessary, FSC dispute resolution mechanisms may also be called upon during the course of assessment. More information and guidance about the certification and accreditation process is included in the FSC Statutes, Accreditation Procedures, and Guidelines for Certifiers.

The FSC P&C should be used in conjunction with national and international laws and regulations. FSC intends to complement, not supplant, other initiatives that support responsible forest management worldwide....

[Note: Because our interest in this document on "codes and labels" lies primarily in "social labelling," we have included the full text of only principles # 1 - 4 pertaining to social issues. Principles # 5 - 10, which are primarily environmental, are printed here without the text of the sub-principles.]

PRINCIPLE #1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES

Forest management shall respect all applicable laws of the country in which they occur, and international treaties and agreements to which the country is a signatory, and comply with all FSC Principles and Criteria.

1.1 Forest management shall respect all national and local laws and administrative requirements.

1.2 All applicable and legally prescribed fees, royalties, taxes and other charges shall be paid.

1.3 In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected.

1.4 Conflicts between laws, regulations and the FSC Principles and Criteria shall be evaluated for the purposes of certification, on a case by case basis, by the certifiers and the involved or affected parties.

1.5 Forest management areas should be protected from illegal harvesting, settlement and other unauthorized activities.

1.6 Forest managers shall demonstrate a long-term commitment to adhere to the FSC Principles and Criteria.

PRINCIPLE #2: TENURE AND USE RIGHTS AND RESPONSIBILITIES

Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.

2.1 Clear evidence of long-term forest use rights to the land (e.g. land title, customary rights, or lease agreements) shall be demonstrated.

2.2 Local communities with legal or customary tenure or use rights shall maintain control, to the extent

necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.

2.3 Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.

PRINCIPLE #3: INDIGENOUS PEOPLES' RIGHTS

The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.

3.1 Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.

3.2 Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of indigenous peoples.

3.3 Sites of special cultural, ecological, economic or religious significance to indigenous peoples shall be clearly identified in cooperation with such peoples, and recognized and protected by forest managers.

3.4 Indigenous peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.

PRINCIPLE #4: COMMUNITY RELATIONS AND WORKER'S RIGHTS

Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities.

4.1 The communities within, or adjacent to, the forest management area should be given opportunities for employment, training, and other services.

4.2 Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.

4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organisation (ILO).

4.4 Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups directly affected by management operations.

4.5 Appropriate mechanisms shall be employed for resolving grievances and for providing fair

compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.

PRINCIPLE # 5: BENEFITS FROM THE FOREST

Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits.

PRINCIPLE #6: ENVIRONMENTAL IMPACT

Forest management shall conserve biological diversity and its associated values, water resources, soils, and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest.

PRINCIPLE #7: MANAGEMENT PLAN

A management plan -- appropriate to the scale and intensity of the operations -- shall be written, implemented, and kept up to date. The long term objectives of management, and the means of achieving them, shall be clearly stated.

PRINCIPLE #8: MONITORING AND ASSESSMENT

Monitoring shall be conducted -- appropriate to the scale and intensity of forest management -- to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts.

PRINCIPLE # 9: MAINTENANCE OF NATURAL FORESTS

Primary forests, well-developed secondary forests and sites of major environmental, social or cultural significance shall be conserved. Such areas shall not be replaced by tree plantations or other land uses.

PRINCIPLE # 10: PLANTATIONS

Plantations shall be planned and managed in accordance with Principles and Criteria 1 - 9, and Principle 10 and its Criteria. While plantations can provide an array of social and economic benefits, and can contribute to satisfying the world's needs for forest products, they should complement the management of, reduce pressures on, and promote the restoration and conservation of natural forests.

INDEPENDENT MONITORING GROUPS: EL SALVADOR AND HONDURAS

Lynda Yanz and Bob Jeffcott of the Labour Behind the Label Coalition and the Maquila Solidarity Network attended a public forum sponsored by the Salvadoran Independent Monitoring Group in January, 1998. Two of the many other sources of information on the campaign relating to Gap, and the establishment of the monitoring group are:

"Independent Monitoring Working Group on Mandarin Int. (El Salvador) (Progress Report - April 1996). Located at <http:www.citinv.it/org/CNMS> 06/14/98

Rhone, Gregory T., 1996. "The Gap Inc. Sourcing Principles and Guidelines: Executive Summary." Paper prepared for the Office of Consumer Affairs, Industry Canada. Located at <http://strategis.ic.gc.ca/SSG/ca00787e.html>

El Salvador Conference Debates Independent Monitoring
By Lynda Yanz and Bob Jeffcott[5]

The December 1995 agreement by the US apparel retailer, the GAP, to accept independent monitoring of its code of conduct at the Mandarin International maquiladora factory in El Salvador has been heralded as a precedent-setting victory and model for how corporate codes of conduct can be made effective. The agreement was achieved after an intensive public campaign in the US, Canada and El Salvador.

What was unique about the agreement with the GAP and Salvadoran contractor Mandarin International was that it mandated truly independent, local human rights groups to monitor working conditions and labour rights violations in a contract factory producing for a major North American retailer. However, the GAP has so far not allowed independent monitoring to be implemented at any other of its contract factories in Central America or elsewhere. (The GAP has contract factories in over 50 countries.)

A little over two years after the agreement was signed, the Salvadoran Independent Monitoring Group held a public forum in San Salvador on January 13 and 14, 1998 to discuss their experience and that of other Central American groups. Participants in the forum included labour, religious, women's, human rights and solidarity groups from Central America, Mexico, the Dominican Republic, Canada, the US and Germany.

Although members of the Independent Monitoring Group -- which includes the Human Rights Institute of the University of Central America, Tutela Legal (Human Rights Office of the Archdiocese of San Salvador), and the Labour Studies Centre (CENTRA) -- are reluctant to promote their experience as model that could be applied everywhere, they believe it does offer a concrete experience that others can learn from.

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[5]Published in *Asian Labour Update*, no. 26, Jan. 1998.

Have Conditions Improved?

According to Benjamin Cuellar, Director of the Human Rights Office of the Jesuit-run University of Central America, the monitoring group has regular access to the workers both inside and outside the factory, and more importantly they have the trust of the workers and have won the trust of the factory management.

According to Mark Anner, a former member of the monitoring group representing CENTRA, "Before monitoring, there wasn't proper drinking water. Locks were put on the bathroom doors, and women had to ask permission to go to the bathroom. Bathroom visits were timed, and women weren't allowed to go in groups. An ex-military colonel was in charge of personnel and he ran the factory like a military barracks. There were problems with forced overtime and poor ventilation. Women had to present a pregnancy test to get a job.

"Since the agreement," Anner continues, "the worst of those violations have been rectified. The colonel has been removed from the factory. The locks have been taken off the bathroom doors, and the women don't have to sign up to go to the bathroom. The company has put in proper water coolers. Women aren't required to present pregnancy tests, nor are they forced to work overtime."

Asked what monitoring has been unable to accomplish, Anner states, "Independent monitoring has not been able to touch in this one factory the logic of how the industry works, the intensity of the work which is linked to the production goals. Local factories producing under contract for big US retailers like the GAP or Eddie Bauer have set deadlines they have to meet to fulfill their orders. Profit margins are very low. For the maquiladora owners to survive under this system, they try to keep the pace of production up. They keep a small workforce and demand a lot of overtime when orders are heavy."

As Anner admits, "we can only achieve so much in one isolated factory. The next great challenge is to see to it that all the companies are feeling the same pressure to improve conditions." If the GAP begins to source from other maquilas in El Salvador, the monitoring groups hopes to be able to negotiate the right to monitor conditions in those factories.

A Substitute for Unions?

A major issue of debate at the San Salvador conference was the relationship between the role of unions and monitoring groups. While the Independent Monitoring Group insists that it is not a substitute for a union, and that it has been instrumental in facilitating the return to work of fired union executive members and 75 fired union supporters, it admits to going beyond its monitoring role to act as a conciliator between the workers and management.

Yet the labour situation at Mandarin remains complicated. There are now two unions in the factory, SETMI and ATEMISA, and both are recognized by the Ministry of Labour. ATEMISA was formed with the support of company after hundreds of SETMI supporters were fired during the 1985 dispute, and ATEMISA is now the larger of the two unions.

Independent Monitoring in Honduras

While groups in Nicaragua and Guatemala are discussing the possibility of establishing independent monitoring groups, the only other factory in Central America where Independent Monitoring has been negotiated is at the Kimi Factory in Honduras.

The monitoring agreement signed in June 1997 followed a bitter battle which erupted when workers attempted to organize a union. As a result, several workers were fired, an international campaign was launched, and contracting companies such as Macy and JC Penny threatened to pull out of Honduras, putting at risk the employment of the 500 workers at the factory.

The Independent Monitoring Team in Honduras includes CODE (Committee for the Defence of Human Rights), the Jesuits, CODEMUH (Women's Collective of Honduras) and Caritas Diocesana. Each organization has a long history of monitoring of conditions in Honduras' maquilas.

The Honduran team is the first one to include a women's group. Given the high percentage of women in the maquilas, and the lack of a gender perspective of many of the unions operating in Central America, this would seem an important advance.

The agreement between KIWI and the Independent Monitoring Team describes independent monitoring as "permanent supervision of the workplace by representatives of groups with recognized independence and moral authority concerning workers' human and labour rights ... as contained in national legislation and international conventions," including the US Presidential Taskforce Accord.

The KIWI agreement provides for regular and unannounced visits by the monitoring team and monthly meetings to include representatives from management and worker organizations. The agreement set out the following short-term priorities for the Independent Monitoring Team: the treatment of pregnant women workers; accusations of abusive treatment on the part of the factory's management, freedom of union association, and the situation of workers fired for attempting to organize a union.

At the Salvador conference, the Honduran monitoring team reported that they'd been able to facilitate advances in each of these areas. They reported that as a result of their work and the public discussion that has surrounded it, the Honduran Maquiladora Association is interested in developing a Code of Conduct for the industry, which the team believes will be an important step forward.

Unresolved Issues

Despite these advances, the Honduran team came to El Salvador with many questions about the challenges and future of independent monitoring. They spoke of the mistrust that still exists between unions and monitoring groups, and the importance of continuing to pressure ministries of labour to play an effective role in monitoring and enforcing labour legislation. This confusion between union and monitoring roles was echoed by the Salvadorean monitoring group members.

Significantly, both the Salvadoran and Honduran monitoring groups put more emphasis on monitoring compliance with local labour legislation than corporate codes of conduct, and neither group saw independent monitoring as a privatized alternative to state enforcement of national labour laws.

As groups in North America and Europe are pressing ahead with attempts to negotiate multi-company or industry-wide codes of conduct and systems of independent monitoring, another major unresolved issue raised by a number of conference participants was how the concerns and demands of maquila workers will be represented in Northern negotiations, and what role Southern groups will be able to play in any new global systems of monitoring.

INTERNATIONAL CODE OF PRACTICE FOR CANADIAN BUSINESS

The version of the code printed below has been slightly amended from the code as it was originally published in September 1997. The changes include a change in its title from "code of ethics" to "code of practice." The amended version was provided by Canadian Occidental in February 1998. The original code is available at: <http://www.cdnoxy.com/coe>.

For further information see:

Haggart, Blayne, 1997. "Businesses Take 'First Step' Toward a Code of Ethics." *Catholic New Times* (Toronto), 19 October

Jang, Brent, 1998. "CanOxy Pursues Nigeria Deal." *Globe and Mail* (Toronto) 2 April, B1

McBrearty, Lawrence, 1997. "Global Ethics Code Put to the Test." *Globe and Mail* (Toronto), 9 October. B2

Ross, Ijeoma, 1997. "New Ethics Code Is Just a Start." *Globe and Mail* (Toronto), 9 September

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INTERNATIONAL CODE OF PRACTICE FOR CANADIAN BUSINESS[6]

VISION

Canadian business has a global presence that is recognized by all stakeholders[7] as economically rewarding to all parties, acknowledged as being ethically, socially and environmentally responsible, welcomed by the communities in which we operate, and that facilitates economic, human resource and community development within a stable operating environment.

BELIEFS

We believe that:

- we can make a difference within our sphere of influence (our stakeholders);

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[6]The "Code" is a statement of values/principles designed to facilitate and assist individual firms in the development of their policies and practices that are consistent with the vision, beliefs, values and principles contained herein.

[7]Should include: local communities, Canadian and host governments, local governments, shareholders, the media, customers and suppliers, interest groups, and international agencies.

- business should take a leadership role through establishment of ethical business principles:
- national governments have the prerogative to conduct their own government and legal affairs in accordance with their sovereign rights;
- all governments should comply with international treaties and other agreements that they have committed to, including the areas of human rights and social justice;
- while reflecting cultural diversity and differences, we should do business throughout the world consistent with the way we do business in Canada;
- the business sector should show ethical leadership;
- we can facilitate the achievement of wealth generation and a fair sharing of economic benefits;
- our principles will assist in improving relations between the Canadian and host governments;
- open, honest and transparent relationships are critical to our success;
- local communities need to be involved in decision-making for issues that affect them;
- multi stakeholder processes need to be initiated to seek effective solutions;
- confrontation should be tempered by diplomacy;
- wealth maximization for all stakeholders will be enhanced by resolution of outstanding human rights and social justice issues; and
- doing business with other countries is good for Canada and vice versa.

VALUES

We value:

- human rights and social justice;
- wealth maximization for all stakeholders;
- operation of a free market economy;
- public accountability by governments;
- equality of opportunity;
- a defined code of ethics and business practice;
- protection of environmental quality and sound environmental stewardship;
- community benefits;
- good relationships with all stakeholders; and
- stability and continuous improvement within our operating environment.

PRINCIPLES

A) Concerning Community Participation and Environmental Protection, we will:

- strive within our sphere of influence to ensure a fair share of benefits to stakeholders impacted by our activities;
- ensure meaningful and transparent consultation with all stakeholders and attempt to integrate our corporate activities with local communities as good corporate citizens;

- ensure our activities are consistent with sound environmental management and conservation practices; and
- provide meaningful opportunities for technology cooperation, training and capacity building within the host nation.

B) Concerning Human Rights, we will:

- support and respect the protection of international human rights within our sphere of influence; and
- not be complicit in human rights abuses.

C) Concerning Business Conduct, we will:

- not make illegal and improper payments and bribes and will refrain from participating in any corrupt business practices;
- comply with all applicable laws and conduct business activities with integrity; and
- ensure contractor's, supplier's and agent's activities are consistent with these principles.

D) Concerning Employee Rights and Health & Safety, we will:

- ensure health and safety of workers is protected;
- strive for social justice and respect freedom of association and expression in the workplace; and
- ensure consistency with other universally accepted labour standards, related to exploitation of child labour, forced labour and non-discrimination in employment.

INTERNATIONAL CONFEDERATION OF FREE TRADE UNIONS (ICFTU) / INTERNATIONAL TRADE SECRETARIATS (ITS) BASIC CODE OF LABOUR PRACTICE

The code is located at <http://www.icftu.org>. See also:

ICFTU, 1998. "The Rise of Ethical Consumerism." Chap. in *Fighting for Workers' Human Rights in the Global Economy*. Located at <http://www.icftu.org>

UK Trade Network, "Model Codes -- The Developing ICFTU Approach," 3 July 1997. Located at <http;//www.crin.ch/tue.htm>

van Beek, Herman, [1998?]. "International Collective Labour Agreements," in "The Role of Fair Trade and the Social and Environmental Responsibility of the Private Sector." Located at <http://www.citinv.it/associazioni/CNMS>

The ICFTU/ITS Basic Code of Labour Practice

The 111th meeting of the ICFTU Executive Board (Brussels, December 1997) adopted a text for a "Basic Code of Conduct covering Labour Practices". The text of this code was developed by the ICFTU/ITS Working Party on Multinational Companies in a process that involved extensive consultations with various trade union organisations and other interested individuals and organisations. It aims to establish a minimum list of standards that ought to be included in all codes of conduct covering labour practices It is not meant, and should not be interpreted to mean, that codes of conduct that are the result of a collective bargained agreement with an appropriate trade union organisation should be limited to the provisions of this code.

Company codes of labour practice can be one trade union response to some of the challenges presented by globalisation. These codes, which are meant to apply to the international operations of a multinational company, are aimed at limiting the worst forms of abuse and exploitation caused by the international competition to attract investment. Governments increasingly are failing to observe either in law or practice basic internationally-recognised standards with respect to working conditions and the rights of workers. Codes are also meant to address the responsibility of a company for the labour practices of its contractors, sub-contractors and principal suppliers.

The purpose of this basic code is to promote the primacy of international labour standards and the inclusion of trade union rights in codes of conduct covering labour practices. A central idea of this code is that labour exploitation and abuse cannot be separated from the repression of workers and that therefore codes of conduct must incorporate freedom of association and the right to collective bargaining.

The ICFTU/ITS Basic Code is also meant to encourage the use of consistent language in codes of conduct as part of a strategy to promote an international framework for worker rights. This basic code is meant to assist any trade union organisation in negotiations with companies and in working with NGOs in campaigns involving codes of conduct. It can also be used as a benchmark for evaluating any unilaterally-adopted codes of labour practice.

The provisions of this code can be adopted by any company doing business internationally. The code is not only for companies marketing manufactured products but also for companies marketing services. The scope of application of any code, that is the extent to which the code will apply to the labour practices of a company's contractors, subcontractors and principal suppliers, will have to be determined in each case. This could affect the definitions provided in this text. The scope of application is meant to be as wide as both practical and reasonable.

The basic code is as follows:

Preamble

1. (name of company) recognises its responsibilities to workers for the conditions under which its products are made or its services are provided and that these responsibilities extend to all workers producing or providing products or services for (name of company) whether or not they are employees of (name of company).

2. Any workers producing or providing products or services manufactured, sold or distributed by (name of company) must be provided with living wages and decent working conditions, and the international labour standards established by Conventions 29, 87, 98, 100, 105, 111, 135 and 138 of the International Labour Organisation must be observed.

3. (name of company) will require its contractors, their sub-contractors, principal suppliers and licensees (franchise-holders) to provide these conditions and observe these standards when producing or distributing products or components of products for (name of company) or when providing services sold by (name of company). (name of company) will, prior to placing orders with principal suppliers, engaging contractors and subcontractors or granting licenses (franchises), assess whether the provisions of this Code can be met.

4. For the purposes of this code the term contractor shall mean any natural or legal person who contracts with (name of company) to perform work or provide services. The term "sub-contractor" means any natural or legal person who contracts with a contractor, as defined above, for the purpose of performing work or providing services related to or as part of an agreement with (name of company). The term "principal supplier" means any natural or legal person who provides (name of company) with materials or components used in the final products, or the final products, sold by (name of company). A principle supplier may be a person who provides services where these services are considered part of the final product provided by the (name of company). The terms "licensee" and "franchise-holder" mean any natural or legal person who, as part of a contractual arrangement with (name of company), uses for any purpose the name of (name of company) or its recognised brand names or images.

5. (Name of company) and its contractors, their subcontractors. principal suppliers and licensees (franchise holders) involved in the production and/or distribution of products or services for (name of company) shall ensure that:-

EMPLOYMENT IS FREELY CHOSEN

There shall be no use of forced, including bonded or involuntary prison, labour (ILO Conventions 29 and 105). Nor shall workers be required to lodge "deposits" or their identity papers with their employer.

THERE IS NO DISCRIMINATION IN EMPLOYMENT

Equality of opportunity and treatment regardless of race, colour, sex. religion. political opinion. nationality, social origin or other distinguishing characteristics shall be provided (ILO Conventions 100 and 111).

CHILD LABOUR IS NOT USED

There shall be no use of child labour. Only workers above the age of 15 years or above the compulsory school-leaving age, whichever is higher, shall be engaged (ILO Convention 138). Adequate transitional economic assistance and appropriate educational opportunities shall be provided to any replaced child workers.

FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED

The right of all workers to form and join trade unions and to bargain collectively shall be recognised (ILO Conventions 87 and 98). Workers representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to enable them to carry out their representation functions. (ILO Convention 135 and Recommendation 143)

Employers shall adopt a positive approach towards the activities of trade unions and an open attitude towards their organisational activities.

LIVING WAGES ARE PAID

Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income.

Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All workers shall be provided written and understandable information about the conditions in

respect of wages before they enter employment and of the particulars of their wages for the pay period concerned each time that they are paid.

HOURS OF WORK ARE NOT EXCESSIVE

Hours of work shall comply with applicable laws and industry standards. In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

WORKING CONDITIONS ARE DECENT

A safe and hygienic working environment shall be provided, and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the employer is strictly prohibited.

THE EMPLOYMENT RELATIONSHIP IS ESTABLISHED

Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Younger workers shall be provided the opportunity to participate in education and training programmes.

(Closing section)

6. Contractors, subcontractors, principal suppliers and licensees (franchise-holders) shall undertake to support and co-operate in the implementation and monitoring of this code by:-

- providing (name of company) with relevant information concerning their operations;
- permitting inspection at any time of their workplaces and operations by approved inspectors;
- maintaining records of the name, age, hours worked and wages paid for each worker and making these available to approved inspectors on request;
- informing, verbally and in writing, the workers concerned of the provisions of this Code; and,
- refraining from disciplinary action, dismissal or otherwise discriminating against any worker for providing information concerning observance of this code.

7. Contractors, subcontractors, principal suppliers and licensees (franchise-holders) found to be in breach of one or more terms of the code shall lose the right to produce or organise production of goods for (name of company) or to provide services for (name of company).

8. Questions as to the interpretation of the meaning of the provisions of the code shall be resolved according to the procedure outlined in the (name of implementation and monitoring agreement between the company and trade union and any other organisations).

9. The provisions of this code constitute only minimum standards. (name of company) does not intend. will not use, and will not allow any contractor, subcontractor, principal supplier or licensee to use these minimum standards and conditions as maximum standards or as the only conditions permitted by (name of company) or to serve as the basis for any claim as to what standards or conditions of employment should be provided.

INTERNATIONAL FEDERATION OF BUILDING AND WOOD WORKERS (IFBWW) - IKEA CODE OF CONDUCT

The following information was provided by the IFBWW in its Fax News #124. Special Edition. 29 May 1998

IFBWW-IKEA agreement on rights of workers

Introduction

At the International Federation of Building and Wood Workers' (IFBWW) Wood and Forestry Committee meeting in Geneva on Monday 25 May 1998, IKEA, one of the world's largest retail chains within the furniture sector and IFBWW signed a cooperation agreement on matters concerning working conditions, the natural environment and health and safety for workers at enterprises throughout the world that manufacture and supply goods for IKEA.

Under the terms of this agreement IKEA will demand of its suppliers that their workers enjoy working conditions which at least comply with national legislation or national agreements. Suppliers must, furthermore, respect any relevant ILO Conventions and Recommendations relating to their operations. This means, for example, that no child labour can be tolerated and that workers have unrestricted rights to join trade unions and to free collective bargaining. These rules already apply at manufacturing companies owned by IKEA.

The Agreement was signed by Mr Stig Holmqvist, International Procurement Strategies Director of IKEA and Mr Gunnar A Karlsson, Chair of the IFBWW Wood and Forestry Committee and President of the Swedish Wood Workers Union. The Agreement was subsequently endorsed by the IFBWW Executive Committee on 28 May 1998. The final Agreement was preceded by an earlier round of negotiations between IKEA and Nordic Federation of Building and Wood Workers which culminated in a Joint Declaration signed on 13 March 1998 (see FaxNews no. 118). The Agreement will cover almost 1,000,000 workers in 70 countries.

Agreement Between IKEA and the International Federation of Building and Wood Workers, IFBWW

IKEA is one of the world's leading home furnishing companies, with procurement in some 70 countries, and retailing in approximately 30 countries. The company is faced every day with cultural differences and diverse economic and social conditions.

IKEA's development confirms the growing globalisation and trade in manufactured goods. For a number of years the company has operated an internal Code of Conduct on ethical and social conditions in its relations with contractors all over the world.

The IFBWW and IKEA have each built up international experience over the years and are agreed on the advantages of long-term, stable rules of conduct for all parties in both producer and purchaser countries. which may also provide standards for industries other than the wood industry.

The Code of Conduct which is attached in Appendix 1. signifies that IKEA is demanding of its contractors that their employees have conditions of employment which do at least fulfil the requirements of their national legislation. The suppliers must respect those ILO Conventions and Recommendations which apply to their business. It means that child labour is not acceptable and that the workers are free to join trade unions and take part in free collective bargaining.

A similar Code of Conduct also applies to manufacturing companies owned by IKEA. The Code of Conduct in Appendix 1 will be available at all work-places in the appropriate languages.

A Monitoring Group will be appointed with two members from IKEA and two members from the IFBWW. The Monitoring Group will meet at least twice a year, and the parties shall provide relevant information in order to carry out its mandate. The group shall aim to hold its meetings at suppliers' premises.

If suppliers do not observe the Code of Conduct as in Appendix 1, the Monitoring Group will review the matter and propose appropriate measures. However, it is always IKEA's responsibility to regulate conditions of collaboration with its suppliers.

Geneva, Switzerland, 25 May 1998

IKEA INTERNATIONAL A/S	IFBWW's Wood and Forestry Committee
Stig Holmqvist	Gunnar A. Karlsson

Appendix 1 to the Agreement between IKEA and the International Federation of Building and Wood Workers, IFBWW:

Code of Conduct regarding the rights of workers

1. Employment must be freely chosen
No coercion may be used, including forced labour, slavery or non-voluntary work in prisons (ILO Conventions nos. 29 and 105). Nor must workers be asked to make "deposits" or leave their ID as pledges with their employers.

2. No discrimination in employment
There will be equal opportunities and equal treatment regardless of race, colour, gender, creed, political views, nationality, social background or any other special characteristics (ILO Conventions nos. 100 and 111).

3. Child labour must not be used
Child labour must not occur. Only workers aged 15 and over, or over the age of compulsory education if higher, may be employed (ILO Convention no. 138). Exceptions to this rule may only be made if national legislation provides otherwise.

4. Respect for the right to freedom of association and free collective bargaining
The right of all workers to form and belong to trade unions shall be recognised (ILO Conventions nos. 87 and 98). Workers' representatives may not be discriminated against and must have access to all the work-places necessary to exercise their functions as trade unions representatives (ILO Convention 135 and Recommendation 143). Employers shall adopt positive views of the activities of trade unions and an open attitude to their organising activities.

5. Adequate wages must be paid
Wages and conditions of work must fulfil at least the requirements laid down in national agreements or national legislation. Unless wage deductions are permitted by national legislation they may not be made without express permission of the workers concerned. All workers must be
given written, understandable information in their own language about wages before taking up their work, and the details of their wages in writing on each occasion that wages are paid.

6. Working time must not be unreasonable
Working time should follow the appropriate legislation or national agreements for each trade.

7. Working conditions must be decent
Working environments must be safe, hygienic and the best health and safety conditions must be promoted considering current knowledge of the trade and any special hazards. Physical abuse, the threat of physical abuse, unusual penalties or punishments, sexual or other forms of harassment and threats by the employer shall be strictly forbidden.

8. Conditions of employment must be established
Employers' obligations to workers according to national labour legislation and regulations on social protection based on permanent employment must be respected. Apprenticeships that do not truly aim to provide knowledge must not be permitted. The parties shall work towards creating permanent employment.

LABOUR BEHIND THE LABEL COALITION

The Wear Fair Charter and the Question Sheet are taken from a 45 page education / action kit produced by the Coalition for individuals and groups concerned about sweatshop labour.

For further information see:

Jeffcott, Bob. 1998. "A Brief History of the Labour Behind the Label Coalition." Paper prepared for the Steelworkers Humanity Fund. Mimeo. Toronto

Labour Behind the Label and Maquila Solidarity Network at <http://www.web.net/~msn>

The Wear Fair Charter for Fair Treatment of Garment Workers

The Wear Fair Charter recognizes that clothing retailers and their contractors must share responsibility for the conditions under which their products are made, whether in Canada or in other countries, by workers in large or small factories or homeworkers.

The Wear Fair Charter is an educational tool for use by campaign activists, and a guideline for discussions with bulk purchasers and retailers. It sets out minimum labour rights and standards, which have been developed by the International Labour Organization (ILO) and other international bodies.

If all major retailers and their contractors respected the basic rights and standards set out in the Wear Fair Charter, there would be a revolutionary change in working conditions, pay and treatment of garment workers in thousands of factories and other workplaces around the globe.

At present, it is unlikely that any major retailer could provide assurances that all of their contractors will abide by the basic rights and standards set out in the Charter. However, growing pressure from consumers, labour rights advocates and garment workers is forcing major retailers to begin to discuss the question of minimum standards.

The basic worker rights and standards outlined in the Charter can only be guaranteed if and when retailers and contractors agree to participate in the development of effective means of monitoring and enforcing these standards, and when workers are able to organize and negotiate for improvements in their conditions.

Charter for Fair Treatment of Garment Workers

A Living Wage

1. Workers receive a living wage, at least sufficient to satisfy the basic needs (food, shelter, clothing) of themselves and their direct family dependents, and at least equal to the legal minimum wage. They receive all statutory benefits they are entitled to.

Healthy and Safe Working Conditions

2. Contractors use safe and healthy production practices in line with International Labour Organization (ILO) standards and local laws. Workers and their representatives are fully informed, in their own language, of work hazards and dangerous substances, and have the right to investigate health and safety practices.

Hours of Work

3. Employees are not required to work more than 48 hours per week, and not more than local laws permit, if a shorter work week is guaranteed. Compensation for overtime is at least equal to what is required by law.

No Forced Labour

4. There is no use of forced labour of any kind: prison labour, indentured labour or bonded labour.

The Right to Organize and Bargain Collectively

5. The right of workers to organize and join unions and other organizations of their choosing without employer interference, and the right to bargain collectively are respected.

Employment of Children and Youth

6. Legal restrictions on minimum legal age, hours of work and other conditions for children and young workers are respected. In cases where illegal child labour is discovered, the retailer shall facilitate the gradual phasing out of the practice, providing transitional economic support to the dismissed child labourers and their families. Whenever possible, child labourers shall be replaced by adult members of the same family.

Equality of Treatment

7. No worker is discriminated against on the basis of race, gender, religion, political opinion, nationality, social origin or distinguishing characteristic. Additional legal equality rights of the appropriate jurisdiction are also respected. Workers are not denied their rights because of pregnancy, nor are they screened for pregnancy or pressured to take contraceptives against their will.

No Harassment

8. The contractor ensures that the workplace is free of physical, psychological and sexual harassment.

Security of Employment
9. The contractor endeavours to employ workers long-term on the basis of negotiated, written contracts. The contractor does not employ workers on repeated temporary contracts, or on a part-time or homeworking basis as a means of circumventing rights and standards applicable to permanent employees. Temporary and part-time workers and homeworkers receive wages, rights and benefits at least equivalent to those received by permanent employees.

An Informed Workforce
10. Minimum rights and standards as outlined in the Charter are communicated to all contractors, managers, supervisors and workers, verbally and in writing in their own language. The contractor ensures that employees receive in writing clear and thorough terms and conditions of employment.

Monitoring and Enforcement
11. Retailers shall make available on request the names, addresses and other pertinent information on all their contractors. In circumstances where labour legislation is adequate and adequately enforced, retailers and contractors shall cooperate with ministry of labour investigations and periodic audits of supplier compliance with that legislation. In circumstances where labour legislation is inadequately enforced, retailers and contractors commit to work with worker representatives and local human rights groups to develop a system of independent monitoring of compliance with minimum standards, as outlined in the Charter, and with local labour legislation. Whenever possible, retailers will work with contractors to correct instances of noncompliance with the minimum standards so as to minimize the possibility of workers losing employment through the cancellation of a contract.

Wear Fair Question Sheet for Concerned Consumers and Bulk Purchasers

Point System
Although the point system below is not a scientific measure of ethical practices by retailers and manufacturers, it will give you a sense of how to weigh the different factors that add up to ethically produced clothes.

1. Are the workers who produce your clothes represented by unions? Do they have the protection of a freely negotiated collective agreement. (Democratic unions are the most effective monitors of labour rights violations.)
Answer "YES" = 10 points

2. Does your company accept joint liability for the worker's rights violations committed by your contractors? (Joint liability means that the retailer would be legally responsible, along with the contractor, for violations. This would motivate retailers to prevent violations from occurring.)
Answer "YES" = 8 points

3. What countries and contractors does your firm source from? Would your company make available a list of all of your contractors and their addresses in Canada and in other countries?
Answer "YES" = 5 points

4. Does your company have a code of conduct for its contractors? Can we have a copy?
Answer "YES" = 1 point

5. Is your code of conduct consistent with the Wear Fair Charter (see Action Tool #3)?
Answer "YES" = 1 additional point

6. Are contractors required to sign the code of conduct, post it in their workplace, and make it available to employees? Is it available in the first language of your contractors and their employees?
Answer "YES" = 2 points

7. How does your company ensure that your code of conduct is being followed by contractors? In countries where labour legislation is inadequate or not adequately enforced, would your company agree to independent monitoring of contractor compliance with your code of conduct by local human rights and religious organizations? In Canada, would your company agree to a Ministry of Labour audit of your contractors' practices?
Answer "YES" = 5 points

NICARAGUA CODE OF ETHICS

The following description of the Nicaragua code is an excerpt from a presentation by Sandra Ramos. Coordinator, Movimiento de Trabajadoras y Disempleadas -- Maria Elena Quadra (Nicaragua) to a meeting of the Ethical Trading Initiative (Women's) Group, Tuesday, February 10, 1998, UK. The full document is available from the Labour Behind the Label Coalition.

Of course we know that a Code of Ethics alone will not resolve the difficult situation of human rights that we face in Nicaragua. In order for human rights to be respected, we first have to resolve the problem of poverty in our country, which is what creates the situation where, because of the poverty and unemployment they face, our workers accept inadequate working conditions.... So we have created a mechanism - it's not that with this Code all of our problems are solved.... We need now to find mechanisms from within civil society in order that this code be complied with and that's the second step in a long process that we will have to undertake.

Initially we presented 5 points, but in the negotiation process we managed to raise it to 9 points (articles).

Art. 1 - Employers must insure that all workers are given fair conditions of work, without discrimination on the basis of pregnancy, race, religion, age, disability, or political beliefs.

Art. 2.- All employers will guarantee job security to their employees without denying their rights, particularly in regards to pregnant women. Women cannot be fired during pregnancy nor during the post-natal period, as is guaranteed by law.

Art. 3 - Employers have the obligation to show consideration and respect in the workplace, abstaining from physical, mental or verbal abuse. This includes all acts or omissions which could affect the dignity and self-worth of their workers.

Art. 4 - Employers must create working conditions that guarantee physical integrity, health, and safety conditions, and that minimize work-related risks in order to insure occupational safety of the workers. This will be done through the following:

a. Medical examinations, both regularly scheduled and those specifically prescribed for the particular job;

b. Ongoing health education and training designed to prevent occupational accidents and illnesses, specific to each particular factory, and other common illnesses which affect production.

c. The implementation of policies designed to improve general safety conditions related to sanitary facilities, buildings, lighting, noise levels, food quality and other related workplace issues;

d. Periodic reports which could permit both employers and workers to overcome any obstacles encountered in complying with the measures listed above.

Art. 5 - Employers must register their workers in the national social security system in order to guarantee full protection and means of subsistence in the case of disability, old age, occupational injuries, illness, and maternity, and in the case of death, that benefits be directed to the family or in accordance with the law.

Art. 6 - Employers are obliged to guarantee their workers wages and social benefits in compliance with the laws.

Art. 7 - All employers must respect the established work day, and pay overtime wages, in accordance with the law.

Art. 8 - Employers must allow workers to organize in the various forms contemplated by the law, including to negotiate collective agreements.

Art. 9 - Employing minors less than fourteen years of age in prohibited.

Art. 10 - This Ministerial Resolution is effective from the date of first publication, regardless of its later publication in the Official Gazette.

Given this day the twenty-third day of the month of January of the year 1998.

Dr. Wilfredo Navarro Moriera
Minister [of Labour, Nicaragua]

Response to question re who will be involved in monitoring ...
It won't be just us that are monitoring this Code although we see that as part of our work and our commitment to the workers. But we think that union organizations should also be involved, although up today they haven't been involved in the elaboration and/or signing of this Code. We also think there should be other organizations from civil society that will be involved in the monitoring process. That's the next step. This Code was signed very recently ... so that's what we're going to try and do now is to find the organizations in civil society that are the most appropriate to undertake this work to ensure that the Code is enforced.

RUGMARK

Two descriptions of Rugmark follow:

- Basic information and criteria provided by the Rugmark International Foundation;
- An excerpt from Janet Hilowitz, *Labelling Child Labour Products: A Preliminary Study*. International Programme on the Elimination of Child Labour (IPEC), ILO. The research for this study appears to have been done in 1996, so some details have changed, but the structure of the program remains the same.

Other sources of information on Rugmark include:

Durai, Jayanti and Mike Dottridge, ed, 1996. *Helping Business to Help Stop Child Labour: Comments on How Company Codes of Conduct, 'Child Labour Free' Labels and the Social Clause Can Help Eliminate Child Labour*. London: Anti-Slavery International

Hilowitz, Janet, [1997?]. *Labelling Child Labour Products: A Preliminary Study*. Geneva: International Labour Organization

International Labor Rights Fund, *1996. Rugmark After One Year: Appraisal of a New Effort at Social Marketing in the Interest of Children*, Washington, DC: ILRF

Sharma, Mukul, 1997. "Marked for Life." *New Internationalist*, July: 29-30

Stackhouse, John. 1997. "Boycotts Not Enough to End Child Labour." *Globe and Mail* (Toronto), October 25: A1, A16.

Steelworkers Humanity Fund, 1998. "The Debate Over Rugmark." Mimeo. Toronto [Review of and response to article by Stackhouse]

Tucker, Lee, 1997. "Child Slaves in Modern India: The Bonded Labor Problem." *Human Rights Quarterly*, 19:572-629

U.S. Department of Labor, Bureau of International Labor Affairs, 1997. "Hand-Knotted Carpets." Chap. II in *By the Sweat & Toil of Children (Volume IV): Consumer Labels and Child Labor*. Washington: U.S. Department of Labor [Available free by contacting the department's International Child Labor Program at (202) 208-4843; fax (202) 219-4923, or on the Internet: <http://www.dol.gov/dol/ilab/public/media/reports/childnew.htm>.]

Basic Information [from Rugmark Foundation International, at <http://www.rugmark.de/home-e.htm]

The RUGMARK sign enables the carpet buyer to contribute towards the removal of child labour. It guarantees the carpet producers' obligation that they produce their carpets without employing illegal

child labour. The RUGMARK also allows the carpet industry to respond to consumer demands for socially-responsible production conditions.

RUGMARK is a trademark registered in 14 European countries, the US, Canada and Australia. RUGMARK International as the legal holder of the mark is a neutral body working independently from any national interests.

In the producing countries the RUGMARK Foundation India (1995) and the Nepal RUGMARK Foundation (1996) were established according to their respective laws. They are supported by national NGOs working effectively against use of child labour. An internationally active organization UNICEF is among the executing agencies.

A RUGMARK Foundation Pakistan was founded in May 1997. The implementation of RUGMARK criteria and structures will probably be finished in 1998. When carpet exporters apply for a licence to the RUGMARK Foundation, they bind themselves legally not to employ children under fourteen years of age in the production of carpets.

RUGMARK Inspectors (India: 14, Nepal: 4 at this time) check in unannounced visits on sample census if RUGMARK criteria are fulfilled. Each Carpet from a licensed exporter obtains a RUGMARK label. The individual serial number on each label enables the complete identification of the carpet.

European and American importers pay 1% of the import value of the labelled carpet. These fees finance social programmes for the displaced children. In this way the former child weavers are safeguarded against getting pressed into illegal employment once again. Regular reports are issued on the use of funds.

RUGMARK licence criteria (India) [from Rugmark Foundation International, at <http://www.rugmark.de/home-e.htm>]

How to become a RUGMARK Licensee (Exporter)

Any manufacturer/exporter, who wants to obtain a RUGMARK licence, has to meet the following criteria:

- No employment of children younger than 14 years. Exception: daughters, sons of a loom owner are accepted, if they also regularly attend school (certificate from the school required as proof).
- Unannounced random inspections by RUGMARK inspectors may be made at any time.
- All weavers are paid at least the minimum wages defined by the national laws.
- Contribution to the foundations of 0.25% of the export value as licence fees. These funds are used to cover all expenses for the inspection system as well as for the labels.

Procedure to become a licensee: The exporter supplies a complete lists of his/her looms to RUGMARK und permits access and a pre-check by RUGMARK inspectors. If this check is successful the exporter will be given a Rugmark licence.

Procedure to issue labels: Only RUGMARK licensees have the right to obtain RUGMARK labels. The licensee will provide details of his purchase orders from European or American importers, along with the information when and on which looms the order will be produced. In this way RUGMARK has the possibility to check the carpets under production. If the random checks are successful the licensee will be given a label with a serial number for each produced carpet in the purchase order before shipment. All information, as to size, design, colour, loom number and date of export are filed by the RUGMARK Foundation. This procedure enables the European or American RUGMARK offices to trace the carpets back to its very place of manufacture.

Carpets produced for stock by a licensed exporter may not be labelled.

Rugmark goals and licensing procedures [from Janet Hilowitz, *Labelling Child Labour Products: A Preliminary Study*]

The Rugmark labelling programme has the following goals:
1) To organize individuals and companies in the carpet industry to cease the use of child labour;
2) to establish an independent, professional and internationally credible monitoring and certification system for carpets manufactured without child labour; and
3) to rehabilitate and educate former child carpet workers.

Registration with the Rugmark Foundation is voluntary, and some 100 carpet manufacturers and exporters in India are now licensed to use the Rugmark label. As of September 1996, some 15 per cent of all Indian carpets exported to Germany (India's main market) have carried the label. According to Rugmark, a further 100 Indian manufacturers are waiting to become licensed. In order to do so, they will be required to sign a statement that they are committed to the total removal of all children under the legal working age of 14 from carpet production except family members, who however must also attend school. They must regularly submit to the Rugmark Foundation an updated list of all the sources of their carpets, certify that they will register with and provide details about all their looms to the Carpet Export Promotion Council (CEPC), and commit themselves to pay at least the minimum wage to the weavers. They must pay an initial licencing fee of Rs. 5000. During the application period, Rugmark will inspect 35 per cent of an applicant's loom sheds, unannounced; if working children are found, the loom owner is given a short time in which to replace them with adults, and if children are found again during a second surprise inspection, the licence application will be rejected.

A new licensee must quickly provide details of all looms and other sources of carpets, plus sales figures covering the past two years. This information goes into a central data system, and Rugmark personnel compute whether the total claimed production and sales corresponds to the declared number of looms and workers. Rugmark licensees also commit themselves to pay an additional 0.25 per cent of the FOB value of the Rugmark-labelled carpets they export, and this has now become an important source of

financing of Rugmark's day to day operations.

Although initial adherence to Rugmark is voluntary for loom owners, manufacturers and exporters. Rugmark's rules and regulations become legally binding once an enterprise has made a commitment to be a Rugmark licensee. Rugmark will not license exporters who purchase from unknown sources or who are not in a position to oversee the production process for a given carpet, which can take up to a year. The use of brokers who farm out production to assorted loom owners makes an exporter ineligible to be a Rugmark licensee.

The monitoring of production sites.

The Rugmark Foundation in India bears the heaviest responsibility for the Rugmark label's credibility, for it must certify that the carpets exported have been made without child labour. Its main activity is in fact the inspection of production sites. All Rugmark licensees must permit surprise inspections of their loom-sheds. Moreover, NGOs have permission to inspect independently in order to verify compliance with the certification criteria. An empty seat at a working loom is taken as having been vacated by a child and requires explanation by the loom owner. Any young-looking weaver present may be questioned, and age, school attendance, and claimed membership of the loom owner's family are all verified. Every loom bears a number, as does every Rugmark carpet from the moment of its inception. The findings of inspections are recorded in a computerized database which is continuously updated and which can be made available at any time for the purpose of verification or documentation; therefore a Rugmark dealer or purchaser should be able to trace a carpet back to the actual loom on which it was woven.

Inspectors (there are currently 13) are not told beforehand where they will be inspecting the next day, and the composition of the two-person inspection teams is changed regularly to discourage corruption. Inspectors are also well paid (for the same reason) but can be fired without notice in case of any irregularities. Between September 1995 and June 1996, inspectors discovered over 700 children working at 408 looms, but some of these children were family members of the loom owners. Rugmark licenses were withdrawn from 164 looms due to persistent child labour violations by their owners.

Upon export a numbered Rugmark label that identifies the maker, location and exporter is attached to each carpet. The "registration" of a given carpet and its loom with Rugmark from the time weaving begins, the certification system, and the numbering of finished carpets all make it difficult for an exporter to register some looms and at the same time contract out additional carpets to other non-registered loom owners who may employ children. However, it is claimed by many critics that this is frequently done and that some Rugmark licensees also conduct unlicensed (unlabelled) parallel businesses as well. This is not the same as using the trademark illegally, for which there are criminal penalties.

Schooling and rehabilitation for former child weavers.

The Rugmark Foundation supports the creation of schooling and rehabilitation alternatives for former child weavers. Until this year, school centres were run entirely by NGOs or UNICEF. Recently a Rugmark-initiated primary school was founded in Bhadohi, in the carpet belt, with six teachers and 250 children. A rehabilitation centre will be opened in Mirzapur, also in the carpet belt, in November 1996. This school is a boarding school which will also offer vocational training. The Rugmark Foundation has some hesitation in returning former child weavers to their families, out of fear that they may again be sent out to work, this time in more dangerous occupations such as making fireworks or glass bangles if carpet-weaving is closed to them.

SOCCER BALL AGREEMENTS

See also:

U.S. Department of Labor, Bureau of International Labor Affairs. 1997. "Soccer Balls." Chap. IV in *By the Sweat & Toil of Children (Volume IV): Consumer Labels and Child Labor*. Washington: U.S. Department of Labor.

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a) Partner's Agreement to Eliminate Child Labour in the Soccer Ball Industry

(as published at <http://www.citinv.it/org/CNMS>

WHEREAS, the communities surrounding Sialkot, Pakistan are the center of the global market for soccer balls, producing over half of the world's hand-stitched balls each year for export to customers around the world;

WHEREAS, the International Labour Organization's (ILO) Minimum Age Convention (No.138), 1973, provides that no one under the age of 15 years shall be admitted to employment or work in any occupation but permits a ratifying Member State whose economy and educational facilities are insufficiently developed, after consultation with employers and workers concerned, to initially specify a minimum age of 14 years;

WHEREAS, Pakistan has ratified the ILO Minimum Age (Industry) (Revised) Convention, 1937 (No. 59);

WHEREAS, for purposes of this Agreement, "Child Labour" shall be deemed to be present in Pakistan whenever children under age 14 are working in conditions that interfere with schooling, or that are hazardous or otherwise injurious to their physical, mental, social or moral well-being;

WHEREAS, the International Labour Organization set up the International Program on the Elimination of Child Labour (IPEC) to assist all elements of society, including government, industry and labour to work together to develop programs and strategies to end child labour and to that end a Memorandum of Understanding between the Government of Pakistan and the International Labour Office was signed on 21 June 1994 and extended on 21 August 1996;

WHEREAS, the United National Children's Fund (UNICEF) has been operating in Pakistan pursuant to the current Basic Cooperation Agreement between the Government and UNICEF, entered into force on 24th November 1995 and the Master Plan of Operations 1996-98, in order to secure and promote the rights of children as identified and articulated in the Convention on the Rights of the Child, ratified by the Government of Pakistan in November 1990;

WHEREAS, the Sialkot Chamber of Commerce and Industry (SCCI), the All Pakistan Sporting Goods Association and other interested business organizations located in the Sialkot District, Punjab Province, have created a Steering Committee on Child Labour (SCCL), to coordinate the efforts of the business community in Sialkot to contribute to end Child Labour in Pakistan by supporting the efforts of its members and their customers to eliminate Child Labour from the manufacture or assembly of soccer balls, and other products for which Sialkot is internationally known;

NOW THEREFORE, this agreement is entered into as of February 14, 1997, by and among the International Labour Office (ILO) represented by IPEC, UNICEF and SCCI, (collectively, the "Partners") for the creation of a Project to Eliminate Child Labour in the Soccer Ball Industry in Pakistan (the "Project"):

I. Goals of the Project

A. Elimination of Child Labour in Soccer Ball Production. The primary goal of the Project is (I) to assist manufacturers seeking to prevent Child Labour in the manufacture or assembly of soccer balls in Sialkot District and its environs; (ii) to identify and remove children from conditions of Child Labour in the manufacture or assembly of soccer balls and provide them with educational and other opportunities, and (iii) to facilitate changes in community and family attitudes to Child Labour, including in the soccer industry. The Partners acknowledge that the success of the Project depends on integrating the implementation of these elements and receiving the support of other institutions operating in the region, most particularly the Government of Pakistan. The target timetable for realizing this goal has been set by the Partners at 18 months.

B. Elimination of Child Labour in Other Local Industries. The Partners recognize that efforts to eliminate Child Labour in the soccer ball industry in Pakistan can best succeed if they are complemented by similar efforts in other local industries and by the creation of meaningful new opportunities for children in this district. It is the hope of the Partners that the development of the Project shall encourage other sectors of the business community in Sialkot, the Government of Pakistan and other important institutions in Pakistan to explore how they might do more to contribute to the end of Child Labour.

II. Elements of the Project

The Project shall consist of two basic program elements (collectively, the "Programs"):

A. Prevention and Monitoring Program. Manufacturers engaged in the production and assembly of soccer balls shall be invited to join a voluntary program of prevention and monitoring (the "Prevention and Monitoring Program").

1. Registration of Contractors, Stitchers and Stitching Facilities. By joining the program, participating manufacturers shall publicly commit to a series of actions designed to prevent the practice of stitching by children under 14 years within 18 months, by requiring the formal registration of (I) all contractors responsible for overseeing stitching on behalf of the manufacturers, (ii) all stitching locations such that

they are clearly identifiable and open to unannounced inspection and (iii) all stitchers, including documentation verifying that they are over 14 years.

2. Establishment of Internal Monitoring Systems. Each participating manufacturer agrees to establish an internal monitoring department to verify that it is in compliance with the Program and to designate a senior manager with responsibility for this function. Each participating manufacturer agrees that its monitoring department shall provide training to employees to enable them to monitor the ages of stitchers and to prepare periodic reports on its monitoring efforts.

3. Agreement to Independent Monitoring. Participating manufacturers also agree to have their compliance with the Program verified by an independent third partner (the "Independent Monitoring Body") who shall provide periodic reports to the Coordinating Committee and to the World Federation of Sporting Goods Industry (for dissemination to their customers and consumers in Europe, the Americas and Asia). These reports shall be made public.

4. Coordination with Social Protection Program. Participating manufacturers commit to work closely with the ILO and other organizations involved in the Project to integrate their efforts to remove children from conditions of Child Labour with the effort to provide such children with educational and other opportunities. These other efforts are described more fully in the description of the Social Protection Program in the following section.

B. Social Protection Program. The Partners recognize that a comprehensive program must be developed (the "Social Protection Program") to ensure that the elimination of Child Labour does not create new and potentially more serious dangers to the affected children or their families. This Program shall have the following elements:

1. Protection of Children Removed from Child Labour by Providing Educational and Other Opportunities.

The Partners acknowledge that it is essential to identify children at risk of Child Labour in the manufacture or assembly of soccer balls and provide them with appropriate education and facilities. Some combination of the following initiatives shall be developed to address the needs of these children:

* Rehabilitation. A rehabilitation initiative shall target children under 14 removed from the soccer ball industry to support their placement into appropriate education programs.
* Education. An educational initiative shall also seek to discourage children at risk of becoming engaged in Child Labour from abandoning the educational system by upgrading the relevance and value of educational opportunities currently available to them.
* In-kind Assistance. An assistance initiative shall seek to provide appropriate in-kind forms of support to facilitate the participation of children in educational programs.

The Partners agree that the development and implementation of these initiatives shall require the close cooperation of industry to ensure that children engaged in Child Labour are properly identified and that they promptly receive the education opportunities.

2. Changing Community Attitudes toward Child Labour in the Soccer Industry.

The Partners also acknowledge that sustaining the elimination of Child Labour shall require more fundamental changes in community attitudes and family approaches toward work. They agree that some combination of the following initiatives shall be developed to facilitate this change:

* Awareness Raising. An awareness-raising initiative shall target communities in Sialkot which serve as important sources of child workers and educate local community leaders (including members of the business community), religious leaders, parents and children of the importance of education for all children and the serious health and developmental consequences of sending children to work instead of school.
* Income Generation. An income generation initiative shall offer families the opportunity to replace the income lost when children have been removed from the soccer ball industry by means that do not require Child Labour. Such opportunities shall include, but not be limited to, replacing stitchers under age 14 with qualified members of their families who are older than 14 years.

[Sections on Administration of the Project; the specific responsibilities of the ILO, the SCCI and UNICEF; the use of logos and trademarks; and resolution of disputes follow, but are not reprinted here.]

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b) Code of Labour Practice for Production of Goods Licenced by the Federation Internationale de Football Association (FIFA)

(as published by *International Union Rights* n. 1, 1997, found at <http://www.citinv.it/org/CNMS>)

PREAMBLE

In line with its guiding principles of fair play and ethical conduct, the Federation Internationale de Football Association (FIFA), recognizes its responsibilities to consumers for the quality of products produced under its licensing arrangements, and to workers involved in the making of FIFA licensed products for the conditions under which these products are made.

Each licencee participating in the FIFA Denominations Programme must agree, as a condition of the license agreement, to ensure that the workers producing these products are provided with fair wages and decent working conditions, and that the international labour standards established by Conventions 29, 87, 98, 100, 105, 111 and 138 of the International Labour Organization are observed.

Licensees further agree to ensure that these conditions and standards are observed by each contractor and subcontractor in the production and distribution of FIFA-licensed products or components of these products. Licensees should, prior to placing orders with suppliers or engaging contractors and subcontractors, assess whether the provisions of this Code can be met.

Each licensee licensed by FIFA under the FIFA Denominations Programme, and each contractor and subcontractor engaged by the Licensee, shall compulsorily implement and respect the following principles in the production and/or distribution of products bearing the FIFA name and/or FIFA authorised marks. Further more, each Licensee shall warrant that these principles shall be equally imposed upon all those employed or delegated by such Licensee.

CODE

EMPLOYMENT IS FREELY CHOSEN

There shall be no use of forced or bonded labour (ILO Conventions 29 and 105).

THERE IS NO DISCRIMINATION IN EMPLOYMENT

Equality of opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin and other distinguishing characteristic shall be provided (ILO Conventions 100 and 111).

CHILD LABOUR IS NOT USED

There shall be no use of child labour. Only workers above age of 15 years shall be engaged (ILO Convention 138).

FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED

The right of workers to form and join trade unions and to bargain collectively shall be recognized (ILO Conventions 87 and 98). Employers should recognize the constructive contribution of trade unions to preventing exploitation and adopt a positive approach towards the activities of trade unions and an open attitude towards their organizational activities.

FAIR WAGES ARE PAID

Wages and benefits paid shall meet at least legal or industrial minimum standards and should be sufficient to meet basic needs and provide some discretionary income.

HOURS OF WORK ARE NOT EXCESSIVE

Hours of work shall comply with applicable laws and industrial standards. Workers shall not on a regular basis be required to work excess of 48 hours per week nor more than 12 hours overtime, and shall be provided with at least one day off for every 7 day period.

WORKING CONDITIONS ARE DECENT

A safe and hygienic working environment shall de provided. the best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazard.

THE EMPLOYMENT RELATIONSHIP IS ESTABLISHED

Employers should endeavour to provide regular and secure employment and refrain from the excessive use of temporary or casual labour. Obligations to employees arising from the regular employment relationship should not be avoided through the use of labour-only subcontracting arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Younger workers should be provided the opportunity to participate in educational and training programmes.

IMPLEMENTATION AND MONITORING

Licensee, their contractors and subcontractors shall undertake to support and cooperate in the implementation and monitoring of the code by:

- providing FIFA or its agent with relevant information concerning their operations;
- permitting inspection at any time of their workplaces and operations by approved inspectors;
- maintaining records of the name, age, hours worked and wages paid for each worker and making these available to approved inspectors on request;
- informing, verbally and in writing, the workers concerned of the provisions of this code; and.
- refraining from disciplinary action, dismissal or otherwise discriminating against any worker for providing information concerning observance of this Code.

Any licensee, contractor or subcontractor found to be in breach of one or more terms of this Code of Labour Practice shall be subject to a range of sanctions up to and including withdrawal of the right to produce or organize production of FIFA-licensed goods. Furthermore, licensees who fail to ensure that their contractors or subcontractors abide by the Code of Labour Practice shall be subject to the same range of sanctions.

Questions as to the interpretation of the meaning of the provisions of this Code shall be resolved according to the procedure outlined in the memorandum of Understanding on the Code of Labour Practice between FIFA and the ICFTU/ITGLWF/FIET.

SOCIAL ACCOUNTABILITY 8000 (SA8000)

The text of "The Framework for SA8000 And CEPAA" is found at <http://www.cepaa.org/sa8000.html>. The code itself has copyright provisions. It is available for $10.00 from CEPAA, 30 Irving Place, 9th Floor, New York, NY 10003. We include our own summary of the provisions here. See also:

Fabian, Teresa, 1998. "Social Accountability 8000 (SA8000) - The First Auditable, Global Standard for Ethical Sourcing Driven by CEPAA." New York: Council on Economic Priorities. Available at <http://www.citinv.it/associazioni/CNMS/archivio/lavoro/Presentazione_SA8000.html>

The Framework For SA8000 And CEPAA [excerpts]

Social Accountability 8000

In early 1997, the Council on Economic Priorities Accreditation Agency (CEPAA) was established and convened an expert Advisory Board (see list, Appendix I) to assist in drafting standards to address workers' rights. Representatives of unions, human rights and children's rights organisations, academia, retailers, manufacturers, contractors, as well as consulting, accounting, and certification firms are helping to develop a draft standard, Social Accountability 8000 (SA 8000).

Based on conventions of the International Labour Organisation and related international human rights instruments including the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child—SA 8000 is a common standard for companies seeking to guarantee the basic rights of workers. Sufficiently specific to be used to audit companies and contractors alike in multiple industries and countries, SA 8000 represents a major breakthrough: it is the first auditable social standard, and creates a process that is truly independent. (It is not a government project, nor is it dominated by any single interest group or constituency.) Notably, SA8000 addresses the need for wages that meet basic needs—an issue not addressed in many corporate codes and related documents.

To certify corporate conformance with SA8000, every facility seeking certification must be audited. Thus auditors will visit factories and assess corporate practice on a wide range of issues: child labour, health and safety, freedom of association and the right to collective bargaining, discrimination, disciplinary practices, working hours and compensation. Auditors will also evaluate the state of a company's management systems, necessary to ensure ongoing conformance in each of these areas. The goal is continuous improvement, not exclusion. However, as more and more firms become certified to comply with SA8000 retailers and brand name manufacturers will be able to state their preference for (or decision to deal exclusively with) suppliers in compliance with SA8000.

Factories will need to make improvements and abide by a timetable for verifying that problems have been addressed; they must document progress in problem areas. For example, a factory which employed

exploitative child labor would need to document, maintain, and effectively communicate policies and procedures that addressed the needs of displaced children (i.e., those put out of work by effective monitoring itself)—plus take preventive action to avoid a recurrence.

Certification and Accreditation

Companies interested in demonstrating that they and their suppliers are honoring Social Accountability standards will be able to have that fact certified, with the advice and involvement of NGOs. Certification itself is the process by which companies submit to an independent audit against a set of standards. For example, many manufacturing companies currently seek certification of their conformance to international quality standards (ISO 9000) and environmental management systems (ISO 14000). In this way they demonstrate their reliability to customers worldwide. The success of the several large international certification companies which conduct those audits depends upon their reputation for integrity and consistency. Thus, those and other companies which may earn accreditation to conduct SA8000 audits have a great incentive to be professional and impartial.

Under SA 8000, certification firms will conduct an audit against SA 8000: if a facility meets the standard, it will earn a certificate attesting to its social accountability policies, management, and operations.

Certification firms will need to be accredited to ensure that they are able to perform audits and to ensure these audits are carried out in a professional manner. CEPAA will thus set strict standards for accreditation of qualified organizations to certify against SA 8000.

Consumers will be able to ascertain whether or not a company prefers or uses only certified suppliers. and whether the company itself is certified.

The Role of Interested Parties

Interested parties, such as NGOs and unions, have played a major role in SA8000—from the development of the Standard to the preparation of audits. They will continue to have major responsibilities after certification and accreditation occur. A broad sample of NGOs and unions worldwide are being asked to comment on the process; this request will also be posted on the World Wide Web. The standard is available for comment to any interested party. NGOs and unions will also systematically brief auditors on local issues.

Individual workers and non-governmental organizations have a significant role/say in the process—the right to appeal. Through an appeal to the certification body, a local organization can challenge the decision to certify a supplier (i.e., seek revocation of the certification) if they have evidence to support major violations. Indeed, if a local factory receives certification but you (or another interested party) were to have evidence that the factory was in violation of SA8000 a community-based organisation could appeal. As a result, firms will need to consider public recommendations very seriously. For its part, CEPAA will convene meetings of NGOs and encourage certification firms to offer comprehensive training in SA8000 auditing techniques for NGO staff.

Likewise, any interested NGO can appeal to CEPAA to revoke the accreditation of a certification firm on the basis, for example, of evidence demonstrating a pattern of improper or incomplete audits or any other violation of the accreditation standard.

The Timetable

The Advisory Board to CEPAA has assisted in drafting SA8000, which will be reviewed annually and revised appropriately. To test the draft Standard, CEPAA has conducted pilot audits in Mexico, Honduras, New York and Pennsylvania; prior to the audits, the audit teams consulted with local NGOs. After review and comment on the draft SA8000 the document will be posted on the World Wide Web for further discussion. SA8000 will then be finalized and publicly announced. That version of the standard will be in effect for approximately the first two years of the system; it will be subject to appropriate updating periodically. The guidance document to SA8000 auditing and audit processes is very detailed; it will be updated yearly. It reflects all parties' experience with the system and contains improvements in system implementation. The formal, public launch of the program is scheduled for January 1998; all aspects of it will benefit by periodic updating and improvement.

Advisory Board of The Council on Economic Priorities Accreditation Agency

Oded Grajew, Abrinq (Brazil); Jack Sheinkman, Amalgamated Bank; Sir Geoffrey Chandler, Amnesty International (UK); Miriam Donovan Lyons / Carlos Bauvard, Association Francois-Xavier (Switzerland); Bill Kunz / Fitz Hilaire, Avon; Alistair Jackson, Body Shop (UK); Alice Tepper Marlin, Council on Economic Priorities; David Zwiebel, Eileen Fisher; Simon Billenness, Franklin Research & Development; Joseph Blumberg, Grupo M, S.A (Dominican Republic); Neil Kearney, International Textile, Garment & Leather Workers Federation (Belgium); Ian Spaulding / Winthrop M. Swenson, KPMG Peat Marwick; Jeffrey F. Newman / Dorianne Beyer, National Child Labor Committee; Dr. Johannes Merck Hamburg (Germany), OTTO-Versand (GmbH & Co.); Doug Cahn / Sharon Cohen, Reebok; Dr. Geoff Spriegel Sainsbury's (UK); Jeffrey L. Horner / John Brookes, SGS-International Certification Services (Switzerland); Tom DeLuca, Toys 'R' Us; Prof. Ray Marshall, University of Texas, Austin

About the Advisory Board:

The CEPAA Advisory Board (CEPAB) provides direction and advice about the operation of and policy matters relating to the function of CEPAA. CEPAB members are appointed for their experience and knowledge of particular sectors, to ensure that the interests of the sectors are represented, or as experts in a particular discipline, to provide impartial expert advice. They are appointed in their own right to maintain the balance of interests on the advisory board, but do not represent any particular sector or organization.

Report on the Code [This is our own summary of key features of the code. The full text is available from the CEPAA]

Companies are required to comply with national and other applicable law, but when the SA8000 standard addresses the same issue, the most stringent provision applies. The company is also required to respect the principles of: ILO Conventions 29 & 105, 87, 98, 100 & 111; 135, 138 (and Recommendation 146), 155 (and Recommendation 164), 159, 177; the Universal Declaration of Human Rights, and the UN Convention on the Rights of the Child.

The "Social Accountability Requirements" include the following (not all are summarized here):

1. Child Labor:
- no child labour
- procedures for remediation of children, with adequate support to enable such children to attend school until no longer a child

2. Forced Labor

3. Health and Safety

4. Freedom of Association & Right To Collective Bargaining
- respect the right of personnel to form and join trade unions of their choice and to bargain collectively
- "in those situations in which the right to freedom of association and collective bargaining are restricted under law, facilitate parallel means of independent and free association and bargaining for all such personnel"

5. Discrimination

6. Disciplinary Practices

7. Working Hours
- comply with applicable laws and industry standards; in any event, personnel shall not, on a regular basis, be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven day period
- ensure that overtime work (more than 48 hours per week) does not exceed 12 hours per employee per week, is not demanded other than in exceptional and short-term circumstances, and is remunerated at a premium rate

8. Compensation
- at least legal or industry minimum standards and is always sufficient to meet basic needs and provide some discretionary income

9. Management Systems

TEXTILE, CLOTHING AND FOOTWEAR UNION OF AUSTRALIA (TCFUA)

The following document is a description of the code supplied to the Labour Behind the Label Coalition. by an Australian contact, and further information is available from the Coalition. Information about the campaign which led to the agreement of many companies to adopt the code is found at: <http://www.actu.asn.au/national/media>

THE HOMEWORKERS CODE OF PRACTICE

What the Code is About

The homeworkers' code of practice has been developed by the TCFUA together with representatives of the retail and manufacturing [unions] in the textile, clothing and footwear industries.

The Code is a self regulatory system that intends to regulate and monitor the production chain from the retailer to the homeworker. It also attempts to simplify the reporting requirements of manufacturers building solidly on award entitlements to workers.

There are two parts of the code.

Part One: The Statement of Principles Regarding Homeworkers Wages and Conditions.

This is the part relevant to retailers

This includes:

- Ten principles that outline the intent of the parties to the agreement.
- The acceptable work conditions and pay rates homeworkers should receive.
- That parties to the agreement will promote that manufacturers must comply with these standards.
- Retailers who purchase products not produced by exploited labour may use or identify these products with a logo or other sign of compliance.
- Retailers commit not to sell products which have been produced by exploited labour. This may include terminating a relationship with a supplier.

The Code will lead to garments carrying a sign that they are manufactured ethically and shops will carry a logo if they stock such clothing. Retailers may promote the fact that they only deal with accredited manufacturers who do not exploit homeworkers.

Part Two: The Code of Practice

This part sets out the criteria for participating manufacturers

There is a Code of Practice Committee which will oversee the setting up and ongoing management of the Code.

It involves an accreditation procedure whereby manufacturers who give work to contractors or directly to homeworkers seek accreditation. The accreditation process will ensure that from the retailer down to the homeworker the chain is transparent. This will be achieved by the following steps:

- Retailers signatory to the Principles will provide to the union lists of their suppliers.
- Retailers will require their suppliers in their purchase contracts, to comply with all laws and regulations including payment of the sewing garment rate relevant to homeworkers.
- Manufacturers or suppliers to retailers will seek accreditation.
- Accredited suppliers will provide documentation to Code Committee verifying that the subcontractors they use are keeping all appropriate documentation and paying their homeworkers according to the agreed garment sewing time manual standard.

Pay Rates for Homeworkers

- The introduction of a timing manual where garments will be classified into three levels of complexity and become the standards for fixing sewing time rates translated into pay rates for homeworkers.

- The minute sewing time per garment provided to the homeworker to sew will be adjusted with percentages for annual leave and public holidays. The homeworker must receive with each batch of work, paperwork which identifies that the homeworker is being paid correctly according to the standard.

- The code also specifies the minimum garments (total amount of work) per week a homeworker can receive from a contractor over a two week period as well as the maximum work load they can receive over a two week period.

- Manufacturers will risk losing accreditation and contracts with retailers if their contractors fail to pay homeworkers correctly.

Code of Practice Committee

The committee will undertake an education and information program to educate and inform manufacturers, homeworkers and consumers about the code.

GENERAL REFERENCES

Other refeerences are provided in the introductions to the texts of each of the codes, above.

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APPENDIX B: BACKGROUND TO THE CALL FOR A TASK FORCE ON SWEATSHOP LABOUR

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- **The Labour Behind the Label Coalition** first called for a federal task force on sweatshop labour in a May 8, 1997 letter to the Prime Minister. The letter noted the agreement of the Apparel Industry Partnership in the US, initiated by President Clinton, and urged a similar process in Canada. In October 1997, a further letter to the Foreign Affairs Minister and the Prime Minister reiterated and elaborated on the request. A letter in March 1998 to the Minister of Labour and the Minister of Foreign Affairs asked for a meeting to discuss the proposal.

- **A petition** supporting the call for a task force was signed, as of June 30, by 30,000 Canadians and over 200 national, regional and local groups. It expressed concern about the problem of sweatshop labour in the garment industry in Canada as well as other countries, and stated that retailers share responsibility with manufacturers for the treatment of workers producing goods sold under their labels and in their stores. The petition asked the government to convene a federal task force to include representation from retailers, manufacturers, unions and religious and human rights groups.

- **The Steelworkers Humanity Fund** convened a "learning circle" on codes of conduct and labels beginning in November 1997 with participants from 19 organizations: international development, human rights, social investment, social labelling and union. The project, titled "The Business of Change," examined a wide variety of domestic and international code and labelling initiatives. While its mandate did not permit a focus on the garment sector alone, its research and discussion included most codes and labels which are likely to be relevant to the work of a task force on sweatshop labour.

- **The BC Federation of Labour, the CEP and the Steelworkers** asked for discussions early in 1998 with Dylex, Hudson's Bay, Mark's Work Wearhouse, Reitman's and Sears, and submitted formal shareholder proposals to the first four. (Sears' deadline for submission of proposals could not be met.) The proposal asked the retailers to support the call for a task force, and review company codes of conduct in the light of discussions of such a task force. Four companies (the exception was Reitman's) agreed to support "the formation of a multi-stakeholder group", but suggested that the scope be broadened beyond the apparel or garment industry to include other retail products. They also indicated that the Retail Council of Canada would provide leadership to the sector.

- **The Retail Council of Canada** hosted a meeting in June to which it invited some union, NGO and federal government representatives and indicated that its likely support for the call for a national task force.

- **Objectives:** The objectives of the Labour Behind the Label Coalition for the task force are:
  - developing private sectors/civil society agreement on labour rights, labour standards, and monitoring and enforcement mechanisms;

-adherence to ILO labour standards and domestic legislation;
-improved access to information for citizens and consumers;
-greater transparency in the monitoring of labour practices;
-improved enforcement and private sector cooperation in the enforcement of domestic legislation.

- **National organizations endorsing** the call for a federal task force on sweatshop abuses are listed below. (Regional and local organizations are not listed here.)

Advocates for Free the Children; Canadian Lawyers Association for International Human Rights (CLAIHR); Canada-Asia Working Group (CAWG); Canadian Union Public Employees (CUPE); Canadian Union of Postal Workers (CUPW); Canadian Teachers Federation, Canadian Autoworkers Union (CAW); Canadian Labour Congress (CLC); Canadian Anti-Slavery Group; Canadian Federation of Students (CFS); Canadian Council for International Cooperations (CCIC); CoDevelopment Canada; Communications, Energy and Paperworkers Union (CEP); Confederation of Canadian Unions (CCU); Council of Canadians; CUSO; Development and Peace; Ecumenical Coalition for Economic Justice (ECEJ); Episcopal Commission on Social Affairs of the Canadian Conference of Catholic Bishops; Fair Trade Mark Canada; Fédération des Femmes du Québec; Fédération des travailleurs et travailleuses du Québec; Hotel Employees and Restaurant Workers Employees International Union; Horizons of Friendship; Inter-Church Coalition on Africa; Interchurch Coalition for Human Rights in Latin America (ICCHRLA); Jesuit Centre for Social Faith and Justice; Labour Behind the Label Coalition; Lutheran Church & Society; Maquila Solidarity Network; National Anti-Poverty Organization (NAPO); National Action Committee on the Status of Women (NAC); National Council of Women of Canada (NCW); National Union of Public and General Employees (NUPGE); OXFAM-Canada; Primates World Relief and Development Fund (Anglican Church); Public Service Alliance of Canada (PSAC); Pueblito; Service Employees International Union (SEIU); School Sisters of Notre Dame; Solidarité Populaire; Ten Days for Global Justice; UNICEF Canada; Union of Needletrade, Industrial and Textile Employees (UNITE); United Food and Commercial Workers (UFCW); United Steelworkers of America (USWA); United Church Division of World Outreach; Women's Inter-Church Council of Canada (WICC).

Retailers: Dylex Limited (BiWay, Braemar, Fairweather, Thrify's and Tip Top Tailors); The Hudson's Bay Company; Mark's Work Wearhouse; Sears Canada.